

# Public Document Pack



To: Councillor Lumsden, Convener; Councillor Grant, Vice Convener; and Councillors Boulton, Cooke, Jackie Dunbar, Laing, Alex Nicoll, Yuill and Wheeler.

Town House,  
ABERDEEN 31 January 2020

## **CITY GROWTH AND RESOURCES COMMITTEE**

The Members of the **CITY GROWTH AND RESOURCES COMMITTEE** are requested to meet in **Committee Room 2 - Town House** on **THURSDAY, 6 FEBRUARY 2020 at 2.00 pm.**

FRASER BELL  
CHIEF OFFICER - GOVERNANCE

### **B U S I N E S S**

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An exempt appendix is located within the Exempt/Confidential section of this agenda.

## **EXEMPT / CONFIDENTIAL BUSINESS**

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

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## **DECLARATIONS OF INTEREST**

You must consider at the earliest stage possible whether you have an interest to declare in relation to any matter which is to be considered. You should consider whether reports for meetings raise any issue of declaration of interest. Your declaration of interest must be made under the standing item on the agenda, however if you do identify the need for a declaration of interest only when a particular matter is being discussed then you must declare the interest as soon as you realise it is necessary. The following wording may be helpful for you in making your declaration.

I declare an interest in item (x) for the following reasons .....

*For example, I know the applicant / I am a member of the Board of X / I am employed by...* and I will therefore withdraw from the meeting room during any discussion and voting on that item.

### **OR**

I have considered whether I require to declare an interest in item (x) for the following reasons ..... however, having applied the objective test, I consider that my interest is so remote / insignificant that it does not require me to remove myself from consideration of the item.

### **OR**

I declare an interest in item (x) for the following reasons ..... however I consider that a specific exclusion applies as my interest is as a member of xxxx, which is

- (a) a devolved public body as defined in Schedule 3 to the Act;
- (b) a public body established by enactment or in pursuance of statutory powers or by the authority of statute or a statutory scheme;
- (c) a body with whom there is in force an agreement which has been made in pursuance of Section 19 of the Enterprise and New Towns (Scotland) Act 1990 by Scottish Enterprise or Highlands and Islands Enterprise for the discharge by that body of any of the functions of Scottish Enterprise or, as the case may be, Highlands and Islands Enterprise; or
- (d) a body being a company:-
  - i. established wholly or mainly for the purpose of providing services to the Councillor's local authority; and
  - ii. which has entered into a contractual arrangement with that local authority for the supply of goods and/or services to that local authority.

### **OR**

I declare an interest in item (x) for the following reasons.....and although the body is covered by a specific exclusion, the matter before the Committee is one that is quasi-judicial / regulatory in nature where the body I am a member of:

- is applying for a licence, a consent or an approval
- is making an objection or representation
- has a material interest concerning a licence consent or approval
- is the subject of a statutory order of a regulatory nature made or proposed to be made by the local authority.... and I will therefore withdraw from the meeting room during any discussion and voting on that item.

## CITY GROWTH AND RESOURCES COMMITTEE

ABERDEEN, 5 December 2019. Minute of Meeting of the CITY GROWTH AND RESOURCES COMMITTEE. Present:- Councillor Lumsden, Convener; Councillor Grant, Vice-Convener; and Councillors Boulton, Flynn, Laing, McLellan (as substitute for Councillor Jackie Dunbar), Alex Nicoll, Wheeler (as substitute for Councillor Donnelly) and Yuill.

The agenda and reports associated with this minute can be found [here](#).

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.

### DETERMINATION OF EXEMPT BUSINESS

1. The Convener proposed that the Committee consider items 13.1 (Unrecoverable Debt - Exempt and Confidential Appendix), 13.2 (Queen Street Redevelopment Programme - Exempt Appendix), 13.3 (Condition and Suitability Programme - Exempt Appendix), 13.4 (Transition Extreme); and 13.5 (Site Acquisition, Queen Street) 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 during consideration of the above items (from article 20 of this minute) so as to avoid disclosure of information of the classes described in the following paragraphs of Schedule 7(A) to the Act:- articles 20 and 23 (paragraph 6), article 21 (paragraphs 8, 9 and 10), article 22 (paragraph 8) and article 24 (paragraphs 6 and 9).

### DECLARATIONS OF INTEREST

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

- (1) the Convener declared an interest in item 10.4 (Queen Street Redevelopment Programme) by virtue of him being a Council appointed member of NHS Grampian Board. He considered that the nature of his interest required him to leave the meeting and he therefore took no part in the consideration of this item;
- (2) Councillor Laing declared an interest in item 11.5 (VisitAberdeenshire – Articles of Association) by virtue of her being a Council appointed member of VisitAberdeenshire Board. She considered that the nature of her interest required her to leave the meeting and she therefore took no part in the consideration of this item;
- (3) Councillor Nicoll declared an interest in items 11.2 (Aberdeen Sustainable Urban Mobility Plan), 11.3 (Low Emission Zone Objectives and Progress) and 11.4 (A92

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- Murcar North) by virtue of him being a Council appointed member on Nestrans Board. He considered that the nature of his interest did not require him to leave the meeting and therefore chose to remain in the meeting for consideration of the items;
- (4) Councillor Yuill declared an interest in item 11.2 (Aberdeen Sustainable Urban Mobility Plan) by virtue of him being a Council appointed member of Robert Gordon's College Board of Governors and substitute member of Nestrans Board; and also items 11.3 (Low Emission Zone Objectives and Progress) and 11.4 (A92 Murcar North) by virtue of him being a Council appointed substitute member on Nestrans Board and . He considered that the nature of his interest did not require him to leave the meeting and therefore chose to remain in the meeting for consideration of the items; and
- (5) Councillor Flynn declared an interest in item 9.1 (Cluster Risk Registers), by virtue of him being a member of the Business Gateway National Board. He considered that the nature of his business did not require him to leave the meeting and therefore chose to remain in the meeting for consideration of the item.

### MINUTE OF PREVIOUS MEETING OF 26 SEPTEMBER AND SPECIAL MEETING OF 30 OCTOBER 2019 - FOR APPROVAL

3. The Committee had before it the minute of its previous meeting of 26 September and Special meeting of 30 October 2019, for approval.

**The Committee resolved:-**

to approve both minutes as correct records.

### COMMITTEE PLANNER

4. The Committee had before it the Committee Business Planner prepared by the Chief Officer – Governance.

**The Committee resolved:-**

- (i) to remove item 4 (Workplans and Business Cases – Capital), item 8 (Smart City Action Plan) and item 12 (Climate Change Report 2018/2019) for the reasons outlined in the planner;
- (ii) to note the reason for the reporting delay in relation to item 5 (Review of School Estate), item 6 (Community Transfer - Leased Community Centres), item 15 (Heat Network Torry - Phase 1), item 18 (Visit Aberdeenshire - 2020/21 Financial Position) and item 20 (Town Centre Capital Grant Fund); and
- (iii) that in relation to item 20 (Town Centre Capital Grant Fund), that officers circulate to members of the Committee by way of email, a financial breakdown of the specific projects; and
- (iv) to otherwise note the content of the Committee Planner.



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### **CLUSTER RISK REGISTERS - RES/19/448**

5. The Committee had before it a report by the Chief Officer – Strategic Place Planning, Chief Officer – City Growth and Chief Officer – Finance which presented the Cluster Risk Registers and Assurance Maps in accordance with Committee Terms of Reference and provided assurance on the Council’s system of risk management.

**The report recommended:-**

that the Committee note the Cluster Risk Registers and Assurance Maps set out in Appendices A and B of the report.

**The Committee resolved:-**

to approve the recommendation.

### **UNRECOVERABLE DEBT - CUS/19/388**

6. The Committee had before it a report by the Director of Customer Services which provided details of the numbers and values of Council Tax, Non-Domestic Rates, Housing Benefit Overpayments and Council house rent debts made unrecoverable during 2018/19 as required in terms of Financial Regulations and approve Non-Domestic Rates write offs in excess of £25,000.

**The report recommended:-**

that the Committee –

- (a) note the value of Council Tax, Non-Domestic Rates and Housing Benefit Overpayments deemed by the Chief Officer - Finance and Chief Officer – Customer Experience and Council house rent deemed by the Chief Officer – Early Intervention and Community Empowerment as unrecoverable and shown in Appendices 1, 2, 3 and 5 of the report; and
- (b) approve the Non-Domestic Rates debts in excess of £25,000 shown in Appendix 4 are unrecoverable and be written off.

**The Committee resolved:-**

to approve the recommendations.

### **SCOTLAND'S 8TH CITY ERDF SMART ENERGY - WARM CONNECTED HOMES PROJECT UPDATE - PLA/19/428**

7. With reference to article 23 of the minute of meeting of the Communities, Housing and Infrastructure Committee of 15 March 2016, the Committee had before it a report by the Chief Officer – City Growth which provided an update on the works around Smart Cities and sought the withdrawal from the Aberdeen City Council Warm Connected

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Homes Project from Scotland's 8<sup>th</sup> City European Regional Development Fund (ERDF) Programme.

**The report recommended:-**

that the Committee –

- (a) instruct the Chief Officer – City Growth to confirm withdrawal from the Aberdeen Warm Connected Homes project from Scotland's 8<sup>th</sup> City ERDF Programme with the lead partner and write to the relevant body; and
- (b) reallocate the Warmer Homes budget to support Smart City projects within the Smart City Strategy.

**The Committee resolved:-**

to approve the recommendations.

### **EXPANSION OF EARLY LEARNING AND CHILDCARE - PHASE 3 PROJECTS - RES/19/419**

8. With reference to article 18 of the minute of the previous meeting of 26 September 2019, the Committee had before it a report by the Director of Resources which outlined details of the planned projects within Phase 3 of the Early Learning and Childcare Expansion Programme.

**The report recommended:-**

that the Committee –

(a) Phase 3 Capital Projects:-

- (1) approve funding for the delivery of Phase 3 of the Early Learning and Childcare expansion programme in accordance with the principles of the specific Capital Grant award; and
- (2) delegate authority to the Chief Officer - Capital, following consultation with the Convener of the City Growth and Resources Committee, the Convener of the Capital Programme Committee and the Head of Commercial and Procurement Services, to consider and approve business cases (including estimated expenditures) where required for the following projects for the purposes of Procurement Regulation 4.1.1:-
  - Dyce School – Minor Reconfiguration;
  - Danestone School – New Build Nursery;
  - Glashieburn School – Minor Reconfiguration;
  - Kittybrewster School – Minor Reconfiguration;
  - Forehill School – Minor Reconfiguration;
  - Fernielea School – Minor Reconfiguration;
  - Scotstown School – Minor Reconfiguration;
  - Greenbrae School – Minor Reconfiguration;
  - Walker Road School – Minor Reconfiguration;

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thereafter to procure appropriate works and services, and enter into any contracts necessary for the delivery of the projects subject to due diligence, consistency with the financial model and affordability and regular update on progress against approved business cases at the Capital Programme Committee; and

(b) Partner Providers Grant Funding Scheme:-

- (1) approve the establishment of a £1 million Partner Providers Grant Funding Scheme, to be funded from and operated in accordance with the principles of the specific Revenue Grant award, to support Early Learning & Childcare Partner Providers to increase quality provision and capacity to deliver the expanded hours for Early Learning and Childcare from August 2020; and
- (2) delegate authority to the Chief Education Officer to approve, in consultation with the Early Learning and Childcare Programme Board, specific grants from the Partner Providers Grant Funding Scheme, to individual Early Learning and Childcare Providers, to support infrastructure projects and increase quality provision for the delivery of expanded hours of Early Learning and Childcare.

**The Committee resolved:-**

to approve the recommendations.

**DECLARATION OF INTEREST**

**In accordance with article 2 of this minute, the Convener withdrew from the meeting prior to consideration of the following item of business. Councillor Houghton substituted for the Convener and the Vice Convener assumed the Chair, both for this item of business only.**

**QUEEN STREET REDEVELOPMENT PROGRAMME - RES/19/434**

9. With reference to article 22 of the minute of meeting of 18 September 2018, the Committee had before it a report by the Director of Resources which provided an update on the programme for the redevelopment of Queen Street and the outcome of the Outline Business Case for North East Scotland and Northern Isles Integrated Mortuary.

**The report recommended:-**

that the Committee –

(a) Queen Street Redevelopment:-

- (1) approve the development programme and various workstreams, subject to agreement with appropriate public sector partners and statutory bodies involved;

(b) North East Scotland and Northern Isles Integrated Mortuary:-

- (1) approve the Integrated Mortuary Outline Business Case;

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- (2) instruct the Director of Resources to proceed to procurement for the development of a Full Business Case including financial model and detailed design;
- (3) note the duplication in effort in proceeding with the temporary mortuary facility and agree to transfer the £800k budget from that project to support the development of a full business case for the permanent facility; and
- (4) instruct the Director of Resources to engage with potential partners of the Integrated Mortuary to establish their funding position in relation to the project.

**The Committee resolved:-**

- (i) to approve the recommendations; and
- (ii) to thank officers for the work undertaken to prepare the report.

**ECONOMIC POLICY PANEL ANNUAL REPORT 2019 - PLA/19/457**

**10.** With reference to article 8 of the minute of meeting of 27 November 2018, the Committee had before it a report by the Chief Officer – City Growth which provided information on the publication and main findings of the second annual report by the Economic Policy Panel, an independent panel formed to advise on the city region’s economic performance.

**The report recommended:-**

that the Committee –

- (a) note the policy panel’s second annual report;
- (b) instruct the Chief Officer - City Growth, following consultation with the Panel, to undertake a review of the second annual report with a view to identifying scope for the future development of the report; and
- (c) note the recommendations of the policy panel and to approve the officers proposed response to each recommendation in section 3.6 of the report.

**The Committee resolved:-**

- (i) to approve the recommendations;
- (ii) to note the Economic Policy Panel has recommended that the city develops its own strategy for net zero transition and further notes that over half of all Scottish jobs in energy are located in Aberdeen and the north east;
- (iii) to note that the Council is close to completing the delivery of the Strategic Infrastructure Plan agreed in 2013;
- (iv) therefore, to agree:-
  - that a place-based strategy is produced, supported by a framework of supporting delivery actions;
  - to develop a new prioritised Strategic Infrastructure Plan and develop a Net Zero Transition Plan that can be used to support the business case for any future bids to anticipated investment funding from the UK Government and the Scottish Government;

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- to approve expenditure of up to £150k from existing corporate budgets to provide support to prepare the strategy and infrastructure plan; and
- instructs the Director of Resources to procure the necessary work and thereafter provide a report to Committee on the outcome of those works.

### **GENERAL FUND BUDGET OPTIONS FOR 2020/21 TO 2024/25 - RES/19/462**

**11.** With reference to article 3 of the minute of the Special meeting of 31 July 2019, the Committee had before it a report by the Director of Resources which provided information on the budget for 2020/21 by setting out the high-level overview of the work carried out and the service redesign proposals that could address the financial forecasts. The report specifically referred to the Council's General Fund.

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

that the Committee –

- (a) note the financial modelling that has been updated for 2020/21 to 2023/24;
- (b) note the wide range of anticipated demands that will place pressure on the Council's General Fund Revenue Budget;
- (c) note the existing General Fund Capital Programme and anticipated investment profile that has been updated with the latest information; and
- (d) instruct the Chief Executive to report back to the Council on 3 March 2020 with budget options for 2020/21, together with Equalities and Human Rights Impact Assessments (EHRIAs)

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

- (i) to approve the recommendations;
- (ii) to note that as part of the COSLA/Scottish Government Local Governance Review, national pilot projects are being considered;
- (iii) to instruct the Chief Executive to consider which elements of our transformation programme meet the criteria for consideration as national pilot projects and submits relevant applications to Scottish Government and reports back to Committee as appropriate; and
- (iv) to thank officers for the work undertaken to prepare the report.

### **CREDIT RATING ANNUAL REVIEW - RES/19/453**

**12.** The Committee were advised that the report had been withdrawn.

### **ABERDEEN ADAPTS: ABERDEEN'S CLIMATE ADAPTATION FRAMEWORK - PLA/19/407**

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**13.** With reference to article 8 of the minute of meeting of 25 April 2019, the Committee had before it a report which sought approval of the final version of the Aberdeen Adapts: Climate Adaptation Framework, along with the associated Environmental Report and provided information on proposals for a governance model for climate change.

**The report recommended:-**

that the Committee –

- (a) approve the final text version of Aberdeen Adapts: Climate Adaptation Framework as outlined in Appendix 2 of the report;
- (b) approve the final Aberdeen Adapts, Environmental Report, Strategic Environmental Assessment, as outlined in Appendix 3 of the report; and
- (c) instruct the Chief Officer – Strategic Place Planning, to align the governance arrangements for climate emission reduction (Powering Aberdeen), with adaptation (Aberdeen Adapts).

The Convener, seconded by the Vice Convener moved:-

that the Committee approve the recommendations contained within the report and outlined above.

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

that the Committee:-

- (1) approve the recommendations contained within the report and outlined above; and
- (2) agree to declare a climate emergency.

On a division, there voted:- for the motion (5) – the Convener, the Vice Convener and Councillors Boulton, Laing and Wheeler; for the amendment (4) – Councillors Flynn, McLellan, Nicoll and Yuill.

**The Committee resolved:-**

to adopt the motion.

**In terms of Standing Order 31.7, Councillors Flynn, McLellan, Nicoll and Yuill intimated their dissent against the foregoing decision.**

**ABERDEEN SUSTAINABLE URBAN MOBILITY PLAN - PLA/19/422**

**14.** With reference to article 11 of the minute of meeting of 6 June 2019, the Committee had before it a report by the Chief Officer – Strategic Place Planning which sought the adoption of the final draft Sustainable Urban Mobility Plan (SUMP) for Aberdeen.

**The report recommended:-**

that the Committee –

- (a) adopt the SUMP as presented in Appendix A in the report;

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- (b) instruct the Chief Officer – Strategic Place Planning, in consultation with the Chief Officer – Operations and Protective Services, to commence delivery of the small-scale projects listed in the SUMP that can be progressed in the short-term; and
- (c) instruct the Chief Officer – Strategic Place Planning and Chief Officer – Capital, to develop a prioritised delivery programme of transport interventions (to encompass larger-scale interventions recommended in the SUMP and the City Centre Masterplan, as well projects arising from the recent Roads Hierarchy review and the ongoing Low Emission Zone development process) to inform the Capital budget process and report this programme back to Committee in due course.

The Convener, seconded by the Vice Convener moved:-

that the Committee approve the recommendations contained within the report and outlined above.

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

that the Committee:-

- (1) approve recommendations (a) and (c) as contained within the report and outlined above;
- (2) that the Chief Officer – Strategic Place Planning submit a report to this Committee detailing the measures that could be progressed in the short term together with details of the costs involved and the priority in which the measures contained in the report would be progressed;
- (3) that the Chief Officer – Operations and Protective Services submit a report to this Committee on possible measures, together with the cost and practical implications, of restricting HGV access on Victoria Road between the junctions of Crombie Road and St Fitticks Road in order to enhance residential amenity; and
- (4) note that cyclists are very vulnerable in any collision with vehicles and agrees that, wherever practical, cycle lanes should be physically segregated from carriageways carrying vehicle traffic.

On a division, there voted:- for the motion (5) – the Convener, the Vice Convener and Councillors Boulton, Laing and Wheeler; for the amendment (4) – Councillors Flynn, McLellan, Nicoll and Yuill.

**The Committee resolved:-**

to adopt the motion.

### **LOW EMISSION ZONE OBJECTIVES AND PROGRESS - PLA/19/421**

**15.** The Committee had before it a report by the Chief Officer – Strategic Place Planning which provided an update on the progress of identifying an optimum Low Emission Zone for Aberdeen and to gain agreement on objectives to guide the appraisal process.

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**The report recommended:-**

that the Committee agree the objectives identified in section 3.5 of the report to guide the Low Emission Zone option appraisal process.

**The Committee resolved:-**

to approve the recommendation.

**A92 MURCAR NORTH - PLA/19/359**

**16.** With reference to article 9 of the minute of meeting of 24 April 2018, the Committee had before it a report by the Chief Officer – Strategic Place Planning which sought approval for the construction of a 3 metres wide standard shared-use pedestrian and cycleway north of Aberdeen along the A92 from the Murcar roundabout, Bridge of Don northwards to South Blackdog.

**The report recommended:-**

that the Committee –

- (a) approve the detailed design of the shared use path;
- (b) delegate authority to the Chief Officer – Capital following consultation with the Head of Commercial and Procurement Services, to undertake a tender process for the procurement and thereafter award of a contract;
- (c) approve the total estimated expenditure of £450,000 as detailed in this report; and
- (d) instruct the Chief Officer – Operations and Protective Services to undertake the statutory requirements to promote a Redetermination Order to support the successful delivery of the project.

**The Committee resolved:-**

to approve the recommendations.

**DECLARATION OF INTEREST**

**In accordance with article 2 of this minute, Councillor Laing withdrew from the meeting prior to consideration of the following item of business. Councillor Houghton substituted for Councillor Laing for this item of business only.**

**VISITABERDEENSHIRE - ARTICLES OF ASSOCIATION - PLA/19/447**

**17.** The Committee had before it a report by the Chief Officer – City Growth which sought approval of the amended VisitAberdeenshire Articles of Association.



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**The report recommended:-**

that the Committee approve the amendments to the Aberdeen and Aberdeenshire Tourism Company Limited (VisitAberdeenshire) Articles of Association (provided in Appendix 1 to this report) and instructs the Chief Officer – Governance to sign and return the written resolution on behalf of Aberdeen City Council.

**The Committee resolved:-**

to approve the recommendation.

### **VEHICULAR ACCESS TO THE DEESIDE WAY - RES/19/424**

18. With reference to article 5 of the minute of the previous meeting of 26 September 2019, the Committee had before it a report by the Director of Resources which provided information regarding a Notice of Motion submitted by Councillor Boulton relating to the restriction of future vehicular access to the Deeside Way.

**The report recommended:-**

that the Committee agree that there is no change required to the current position, whereby any temporary access required to the Deeside Way for all purposes, including construction vehicles to facilitate development, is strictly controlled under the Delegated Power granted to the Chief Officer – Corporate Landlord, for the issuing of Licences of Temporary Occupancy, and that these current practices are considered to work effectively and provide robust control of vehicular access to the Deeside Way, without the need to further prohibit the majority of vehicles.

**The Committee resolved:-**

- (i) to note the terms of the report;
- (ii) to note that the Deeside Way is valued as a Core Path, National Cycle Route and a wildlife corridor designated as a Local Nature Conservation Site and as such the general public's right to make use of it, primarily for walking and cycling both recreationally, and as a means of commuting to include disabled access and horse riding;
- (iii) to note that paragraph 3.5 of the report confirms "There are no general rights of access for motorised vehicles over the Deeside Way";
- (iv) to note that Aberdeen City Council (Parks and Outdoor Areas) Management Rules number 4 as adopted by virtue of S112 of the Civic Government (Scotland) Act 1982; and
- (v) to note 3.9 and 3.10 of the report which supports the fact that use is currently restricted, and therefore instructs the Chief Officer - Corporate Landlord to restrict use on the Deeside Way to: (1) maintenance/refuse collection by the Council and its contractors, (2) access for statutory undertakers, utility companies and telecommunication companies (in emergency and non-emergency situations); (3) emergency services vehicles; and (4) any appropriate non-emergency services vehicles required to attend to matters of public safety or Health & Safety, and

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prohibit any other access by any other vehicle for any other purpose without consent from the City Growth and Resources Committee.

**CONDITION & SUITABILITY 3 YEAR PROGRAMME - ADDITIONAL PROJECTS - PLA/19/412**

**19.** With reference to article 13 of the minute of the previous meeting of 26 September 2019, the Committee had before it a report by the Director of Resources which sought approval of additional projects for inclusion in the Condition and Suitability Programme in line with the previous Committee decision to not approve the budget adjustment for the Tullos Depot Salt Store.

**The report recommended:-**

that the Committee –

- (a) approve the additional Condition & Suitability Programme projects listed in Appendix A of the report for inclusion in the 3-year Condition & Suitability Programme and estimated budget for each project; and
- (b) delegate authority to the Chief Officer - Capital, following consultation with the Head of Commercial and Procurement Services, to consider and approve procurement business cases for each of these projects for the purposes of Procurement Regulation 4.1.1; and thereafter to procure appropriate works and services, and enter into any contracts necessary for the projects without the need for further approval from any other Committee of the Council.

**The Committee resolved:-**

to approve the recommendations.

**In accordance with the decision recorded under article 1 of this minute, the following items of business were considered with the press and public excluded.**

**UNRECOVERABLE DEBT - EXEMPT AND CONFIDENTIAL APPENDIX**

**20.** The Committee had before it an exempt and confidential appendix relating to the Unrecoverable Debt report. (Article 6 of this minute refers).

**The Committee resolved:-**

to note the details contained within the exempt and confidential appendix.

**QUEEN STREET REDEVELOPMENT PROGRAMME - EXEMPT APPENDIX**

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21. The Committee had before it an exempt appendix relating to the Queen Street Redevelopment Programme report. (Article 9 of this minute refers).

**The Committee resolved:-**

to note the details contained within the exempt appendix.

**CONDITION AND SUITABILITY PROGRAMME - EXEMPT APPENDIX**

22. The Committee had before it an exempt appendix relating to the Condition and Suitability 3 Year Programme - Additional Projects report. (Article 19 of this minute refers).

**The Committee resolved:-**

to note the details contained within the exempt appendix.

**TRANSITION EXTREME - RES/19/458**

23. With reference to article 47 of the minute of meeting of the Finance, Policy and Resources Committee of 9 March 2017, the Committee had before it a report by the Director of Resources which provided details in relation to the current financial position of Transition Extreme.

**The report recommended:-**

that the Committee –

- (a) instruct the Chief Officer – Finance to request that Transition Extreme submit a copy of their updated Business Plan by 31 March 2020; and
- (b) agree to delegate authority to the Chief Officer – Finance, in consultation with the Convener and the Chief Officer - Governance, to arrange an extension of the guarantee, for the amount outlined in the report, for the period from 1 January 2020.

**The Committee resolved:-**

to approve the recommendations.

**SITE ACQUISITION, QUEEN STREET - RES/19/423**

24. The Committee had before it a report by the Director of Resources which advised of an opportunity to purchase a 0.03 hectare (0.06 acre) site comprising of a car park accessed off a shared access road from Queen Street to facilitate its utilisation as part of the Queen Street Masterplan regeneration project.

**The report recommended:-**

that the Committee –

**CITY GROWTH AND RESOURCES COMMITTEE**

5 December 2019

- (a) approve the proposal to purchase the site on the agreed heads of terms; and
- (b) instruct the Chief Officer – Governance to conclude the appropriate legal agreement incorporating various qualifications as are necessary to protect the Council's interest.

**The Committee resolved:-**

to approve the recommendations.

- **COUNCILLOR DOUGLAS LUMSDEN, Convener**

**CITY GROWTH AND RESOURCES COMMITTEE**  
5 December 2019

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	A	B	C	D	E	F	G	H	I
1	<b>CITY GROWTH AND RESOURCES COMMITTEE BUSINESS PLANNER</b> The Business Planner details the reports which have been instructed by the Committee as well as reports which the Functions expect to be submitting for the calendar year.								
2	<b>Report Title</b>	<b>Minute Reference/Committee Decision or Purpose of Report</b>	<b>Update</b>	<b>Report Author</b>	<b>Chief Officer</b>	<b>Directorate</b>	<b>Terms of Reference</b>	<b>Delayed or Recommended for removal or transfer, enter either D, R, or T</b>	<b>Explanation if delayed, removed or transferred</b>
3			<b>06 February 2020</b>						
4	Performance Management Framework Report – Place Service	To inform Members of service delivery performance, commitments and priorities relating to Place Services as reflected within the Council's commissioning intentions and the Council Delivery Plan 2019/20		Alex Paterson	Business Intelligence and Performance Management	Commissioning	Purpose 5		
5	Credit Rating Annual Review	To provide an overview of the recent credit rating annual review and report the outcome of the review.	This report was originally due at the meeting in December 2019, however officers were awaiting information from Moodys	Neil Stewart	Finance	Resources	Purpose 7		
6	Council Financial Performance, Quarter 3, 2019/20	To present the Council's financial position for the quarter.		Lesley Fullerton	Finance	Resources	1.2		
7	Granite City Growing – Aberdeen Growing Food Together	strategy for approval following public consultation		Sandy Gustar	Strategic Place Planning	Place	2.2		
8	Trade and European Partnerships Travel Plan 2019/20 Update	To seek approval for amendment to the international trade priorities 2019 – 20 and for associated travel expenditure.		Morag McCorkindale	City Growth	Place	2.2 & 2.3		





	A	B	C	D	E	F	G	H	I
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2									
11	Local Authority Bus Services/Controlled Bus Companies	The CG&R Committee on 26/09/19 agreed to instruct the Director of Resources to monitor the sale position of First Aberdeen Limited and report back to the City Growth and Resources Committee on 6 February 2020 with an update on the proposed sale and recommended next steps for the Council	An exempt Service Update was circulated to members on 7 January 2020 (not published on website).	Steve Whyte/ Jonathan Belford/ Chris Cormack	Finance	Resources		D	There has been no update on the proposed sale of First Aberdeen, which would allow the Council full consideration of any proposed package. While this is still expected in the coming months, at present there is no indicative timescale for this. The Director of Resources will report to the first committee following release of sale information from First Group
12	Low Emission Zone Options	To recommend to Members that the Council commence the Traffic Regulation Condition process as the first stage in the delivery of a Low Emission Zone in Aberdeen, and to gain approval from Members to undertake public and stakeholder consultation on options for a city centre Low Emission Zone.		Will Hekelaar	Strategic Place Planning	Place	Purpose 6. Remit 2.2		
13	The Planning (Scotland) Act 2019	To provide Members with a summary of the implications of the Planning (Scotland) Act 2019 and to ask for a decision on which discretionary powers within the Act to progress.	A report will also be submitted to the Capital Programme Committee on 22 January 2020	Claire McArthur	Strategic Place Planning	Place	2.2		
14	Donald Colman Plaque	To seek approval for the erection of a plaque to Donald Colman, Footballer, international coach and inventor of the touchline dugout, at 342 King Street		Jim Inglis	City Growth	Place	Purpose 6		

	A	B	C	D	E	F	G	H	I
	Report Title	Minute Reference/Committee Decision or Purpose of Report	Update	Report Author	Chief Officer	Directorate	Terms of Reference	Delayed or Recommended for removal or transfer, enter either D, R, or T	Explanation if delayed, removed or transferred
2									
15	Community Transfer - Leased Community Centres	Council on 5 March 2019 agreed to instruct the Chief Officer - Early Intervention and Community Empowerment to progress Community transfer discussions with Management Committees of leased Community Centres and report back to the relevant committee.	Note that a referral from the Operational Delivery Committee is included on the agenda for consideration.	Linda Clark	Early Intervention and Community Empowerment	Customer		R	The Asset Transfer discussions with the leased community centres were undertaken as part of a Best Value review of Leased and Learning Centres. A report was considered by the Operational Delivery Committee on 9 January 2020
16	Disposal of 165-167 Crown Street and 77-79 Bon Accord Street	To advise members of the outcome of the offers received for 165-167 Crown Street and 77-79 Bon Accord Street		Peter Thatcher	Corporate Landlord	Resources	3.4		
17	Town Centre Fund	The CG&R Committee on 6 June 2019 agreed that a report be submitted to the September meeting of the City Growth and Resources Committee with further options on how the balance of the fund can be allocated.	This was due at the December 2019 meeting, however at that stage officers were unable to report on how the balance of the fund could be allocated due to not having the final costings from the approved projects. This was due to the nature of the projects, in particular the capital aspects which have required seeking input from external sources, contractors etc. A service update will be provided in January/February, following a report on progress to Scottish Government who are the provider of the Town Centre Funding. A report is expected to CG&R in February 2020	Stuart Bews	City Growth	Place	Purpose 1 and 2		
18	Booking of Educational Establishments	to seek approval to transfer responsibility for administering the bookings and lettings system from Sport Aberdeen to an appropriate team within Aberdeen City Council		Emma Shanks	Customer Experience	Customer	1.2		

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2									
19	Property Sale Report - Disposal of Ground Leases	To seek approval for the sale of ground leases.		Neil Strachan	Corporate Landlord	Resources	3.4		
20	Employability Pipeline Project	To seek approval from members to reject the offer of grant for phase 2 of the employability pipeline from the European Social Fund. The fund has been suspended by the European Commission and it is unclear how and when the funds may be available again.		Stuart Bews	City Growth	Place	1.2.3		
21	Community Asset Transfer - Tillydrone Library & Family Centre	The report asks the committee to approve the recommendation presented in regards to the request for a Community Asset Transfer of the Tillydrone Library & Family Centre submitted by the Lighthouse Support Centre		Cate Armstrong	Corporate Landlord	Resources	3.4		
22	Disposal of 120 Westburn Road	to advise members of the approach by the Council's tenant to purchase the ground landlord's interest in a site at 120 Westburn Road.		Neil Strachan	Corporate Landlord	Resources	3.4		
23	Workplans and Business Cases - Capital	to present a procurement workplan where capital expenditure is included for the Operations Functions to Committee for review and to seek approval of the total estimated capital expenditure for the proposed contract as contained in the Procurement Business Case(s)		Craig Innes	Commercial & Procurement Services	Operations	Purpose 2		
24	Aberdeen City Council - Housing Programme	To update the Committee on the development works that have been undertaken in relation to the Council house new build programme including some works to refine and update the vision for the programme but also to develop the future building specification requirements		John Wilson	Capital	Resources			

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2									
25	Review of Leased Centres and Learning Centres	ODC 9/01/20 - notes that the leased community centre management committees will require to seek independent legal advice during the negotiation of new leases and recommends to the City Growth and Resources Committee that they instruct that the Council will meet the reasonable costs of this and that the Chief Officer – Corporate Landlord report to the relevant committee on how this can be facilitated.	The CO - Corporate Landlord has met with the Community Centres Group. At this meeting it was agreed that a small working group would be established to discuss variations to the lease. They have been advised that the Council will only consider one form of the new lease. It was considered to be in the best interests of all parties that if, in the event the working group felt they require independent legal advice, that one solicitor be appointed to represent them all. They have asked to utilise the same solicitor that previously represented the centres in lease discussions, subject to fees being agreed.					R	It is proposed to progress on the basis detailed in the update and therefore it is recommend that this item be removed from the business planner and any future updates submitted as a service update.
26			This is acceptable to the CO-Corporate Landlord and the costs of this can be met from existing budgets with the cluster in 2019/20. Some centres have requested the new lease to be in excess of the ten year period recommended by committee. They have been advised that this will require a follow up report to this Committee.						

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2									
27			<b>23 April 2020</b>						
28	Bridge of Dee West - Walking/Cycling Improvements	Approval to begin detailed design.	This was originally due in April 2019, however the complexity of this project and proximity of the Special Area of Conservation (River Dee) means that further work is required. The impact of the AWPR requires to be factored in and additional traffic counts and modelling are due to be carried out later this year which will help determine the scope of the project and the commissioning intentions. Report due possibly April 2020.	Kevin Pert	Strategic Place Planning	Place	2.2		
29	Council Financial Performance, Quarter 4, 2019/20	To present the Council's financial position for the quarter.		Lesley Fullerton	Finance	Resources	1.2		
30	Performance Management Framework Report – City Growth and Place Services	To inform Members of service delivery performance, commitments and priorities relating to City Growth and Place Services as reflected within the Council's commissioning intentions and the Council Delivery Plan 2019/20		Alex Paterson	Business Intelligence and Performance Management	Commissioning	Purpose 5		

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2									
31	Sustainable Drainage System (SUDS) Section 7	Maintenance of SuDS within the boundaries or curtilage of a private property, such as a residential driveway or a supermarket car park, is the responsibility of the land owner or occupier. The Scottish Environment Protection Agency's (SEPA's) preference is for SuDS constructed outside the boundaries or curtilage of a private property to be adopted by Scottish Water, the local authority or a public body, and as such SEPA seeks a guarantee for the long term maintenance and sustainability of any SuDS implemented.	This was due to be reported to the June meeting, however only 8 out of 32 local authorities have signed up to the MOU with Scottish Water – another 19 are considering their options. So nationally things are less advanced than we thought they would be at this stage. Signing up to the MOU commits ACC to significant costs which would increase annually as SuDS come on stream. The lack of progress at a national level gives us more time to consider our options and in particular how SuDS fit into the bigger surface water management framework. Further discussions have been requested with Scottish Water.	Alan Robertson	Operations and Protective Services	Operations	Purpose 1		Officers need to understand SuDS and their associated costs within the bigger surface water management framework, a paper will be prepared for the Corporate Management Team explaining the direction of travel and likely impact on our budgets. In light of the additional consultation and appraisal, a delay is required to allow a better understanding of the costs and risks to be developed. Report likely April 2020, but may be sooner.
32	Aberdeen City Region Deal – Strategic Transport Appraisal – Initial STAG Appraisal of Regional Transport Projects	The report will advise the Committee of the outcomes of the Scottish Transport Appraisal Guidance (STAG) Initial Appraisal undertaken as the current stage of the Strategic Transport Appraisal component of the Aberdeen City Region Deal. (added to the Planner on 22/01/20)		Ken Neil	Strategic Place Planning	Place	2.2 & 2.3		
33			<b>18 June 2020</b>						
34	Performance Management Framework Report – City Growth and Place Services	To inform Members of service delivery performance, commitments and priorities relating to City Growth and Place Services as reflected within the Council's commissioning intentions and the Council Delivery Plan 2019/20		Alex Paterson	Business Intelligence and Performance Management	Commissioning	Purpose 5		
35	Committee Annual Effectiveness Report for 2019/20	To present the annual effectiveness report for the Committee.		Mark Masson	Governance		GD 7.5		

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2									
36	Review of School Estate	Council on 6/3/18 agreed to instruct the Chief Officer – Corporate Landlord to bring a review of the School Estate report within the next 9 months to the Education Operational Delivery Committee, thereafter to forward the report to the Capital Programme Committee.  Transferred from the Capital Programme Committee Planner in line with the changes to the Terms of Reference agreed by Council.	This was initially scheduled for the December 2019 meeting. Officers recommended delaying the finalising of the School Estate Plan report until after the Council budget meeting in March 2020. The estate plan will then be aligned to support the delivery of budget decisions made at that meeting.	Stephen Booth / Andrew Jones	Corporate Landlord	Resources			
37			<b>29 July 2020 (Special)</b>						
38	Council Financial Performance, Quarter 1, 2020/21	To present the Council's financial position for the quarter.		Lesley Fullerton	Finance	Resources	1.2		
39			<b>19 August 2020</b>						
40	Car Parking Framework	The CG&R Committee on 6 June 2019 agreed to note the findings of the SCPR and instruct the Chief Officer – Strategic Place Planning to develop a draft Car Parking Strategy and to report back to this Committee in summer 2020		Will Hekelaar	Strategic Place Planning	Place			
41			<b>28 October 2020</b>						
42	No reports scheduled at this time.								
43			<b>Date TBC</b>						

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2									
44	Impact on Aberdeen of Scottish Government Funding	Council on 5/3/18 agreed as part of our commitment to Civic Leadership and Urban Governance instruct the Chief Executive to bring a report to the City Growth and Resources Committee working with partners to include our ALEOs, Aberdeen and Grampian Chamber of Commerce, Aberdeen Burgesses Federation of Small Businesses, Opportunity North East, and Scottish Enterprise to assess the impact on Aberdeen of Scottish Government funding in comparison to the funding received by other local authorities and identify how the council can encourage the Scottish Government to provide a better financial settlement for Aberdeen.		Richard Sweetnam	City Growth	Place	1.2		
45	Building Performance Policy	CH&I Committee 2017 agreed to instruct officers within Communities, Housing and Infrastructure to undertake scrutiny of policy compliance and report back to committee with an annual review and progress report in 12 months, envisaged to be May 2018.	Delayed from September 2018 Meeting as this policy could only be applied to projects at concept stage, projects have not advanced enough to assess the policy's effectiveness. Work is ongoing with services to assess any changes which may be required to the policy. A service update was circulated on 30 August 2018.	David Dunne	Strategic Place Planning	Place			
46	Energy Plan for Aberdeen	CH&I Committee on 16 January 2018 agreed to instruct the Interim Director of Communities, Housing and Infrastructure to report back to CH&I Committee when the energy plan is complete.	The report was initially on the Planner for the November 2018 meeting. The Energy Plan will be developed in the context of other ongoing energy projects. A report will be submitted after April 2019		Strategic Place Planning	Place	Purpose 6 and Committee Decision		



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2									
47	Schools Business Cases	The EODC on 17/9/19 agreed: (1) Countesswells School - to establish a new primary school on the identified site N7 within the Countesswells development, Aberdeen, subject to approval of the fully costed business case at City Growth and Resources Committee; and (2) Milltimber School - to relocate the existing Milltimber Primary School to a new building on an identified site within the Oldfold Farm development, Aberdeen with effect from August 2021 or as soon as possible thereafter, subject to approval of the fully costed business case at City Growth and Resources Committee.		Stephen Booth	Corporate Landlord	Resources			
48	Queens Square as Part of the Masterplan	Council on 6/3/18 agreed to instruct the Chief Officer – City Growth to bring forward an all options business case to the Capital Programme Committee in September 2018 on how best to proceed with Queens Square as part of the next phase of the masterplan.  Transferred from the Capital Programme Committee Planner in line with the changes to the Terms of Reference agreed by Council.	With the complexity of the site and co-location aspects, a business case for Queen's Square will not be available until all discussions and actions from the report RES/18/176 have been concluded with partners.	Sandy Beattie	City Growth	Place			
49	CCTV and Traffic Management Services - Marischal College Relocation	The Council on 5 March 2019 agreed to instruct the Chief Officer - Corporate Landlord to work with Police Scotland and the private sector to relocate the CCTV and Traffic Management to the same location within Marischal College and to explore further synergies of co-locating services within Marischal College with business cases to be presented to the relevant Committee as required		Stephen Booth	Corporate Landlord	Resources		R	The project has been scoped and we have now appointed all suppliers and progressing with deployment, therefore there will be no further synergies explored. Monitoring of the project will continue through the Capital Programme Committee as required.

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2									
50	Marywell to A956 Wellington Road – Cycle Path (RCD5394) 19/20	The CG&R Committee on 6 June 2019 agreed to instruct the Chief Officer – Capital and Chief Officer – Strategic Place Planning to undertake detailed design and cost estimates of the Preferred Route and connections, and to report back to this Committee for approval to construct in due course.	Discussions are continuing with an external funder regarding funding the design stage of the project. Once funding is confirmed the scheme will be progressed by the Roads Projects team (updated on 26 August 2019)	Kevin Pert	Strategic Place Planning	Place	2.2		
51	Schoolhill Public Realm Enhancement	<p>The Strategic Commissioning Committee on 7/6/18 agreed amongst other things to delegate authority to the Chief Officer – Place to bring forward a comprehensive public realm enhancement design for the wider Schoolhill area as future stages of works and report to appropriate committees.</p> <p>The Council on 5 March agreed to instruct the Chief Officer - City Growth to determine if any external funding can be secured for Phase 2 Public Realm Works and a Living Wall at Flourmill Lane and to report back to the relevant Committee.</p> <p>The Committee at their meeting on 6 June agreed that money from the Town Centre Capital Grant fund would be used for the Living Wall project.</p>	This report was originally due at the September 2019 meeting. An application to the Regeneration Capital Grant Fund had been submitted in regards to Phase 2 Public Realm Works, a decision was taken by the Scottish Government on 5 September 2019 not to recommend to proceed to Phase 2. This confirmation requires officers to explore whether there are any other options.	Stuart Bews/Susan Cameron	City Growth	Place		R	Officers continue to explore funding opportunities for Phase 2 Public Realm Works, but at this time no suitable source of funding has been identified. CG&R approved in June 2019 the inclusion of the Living Wall project as part of the Town Centre Fund.
52	Developer Obligations - Asset Plans	The CG&R Committee on 26/09/19 agreed to note that the Chief Officer – Strategic Place Planning would undertake the consultation on the draft Asset Plan template as outlined within this report and report the outcomes to a future meeting of this committee.	Significant piece of work involving most services across the council, a report may be submitted at end of 2020 or beginning of 2021.	David Dunne/David Berry	Strategic Place Planning	Place			



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2									
55	Transport Delivery Programme	The CG&R Committee on 5 December 2019 agreed to instruct the Chief Officer – Strategic Place Planning and Chief Officer – Capital, to develop a prioritised delivery programme of transport interventions (to encompass larger-scale interventions recommended in the SUMP and the City Centre Masterplan, as well projects arising from the recent Roads Hierarchy review and the ongoing Low Emission Zone development process) to inform the Capital budget process and report this programme back to Committee in due course.		Will Hekelaar/ Joanna Murray	Strategic Place Planning	Place			
56			<b>Date TBC - Estimated 2021</b>						
57	External Transportation Links to Aberdeen South Harbour - STAG Part 2	The City Growth and Resources Committee on 18 September 2018 agreed to instruct the Chief Officer – Strategic Place Planning to conduct a STAG Part 2 Appraisal, to consider the eight options identified in the STAG Part 1 report, as detailed in section 3.4, and that consideration be given to the emerging options from the STAG Part 1 External Transportation Links to Aberdeen South Harbour and ensure that both STAG Part 2 reports are submitted to this committee for consideration at the same time.	Given the length of time needed to undertake a full STAG 2 Appraisal, we wouldn't expect this work to be complete until late 2020 so we would be anticipating reporting March/April 2021 (or nearest appropriate committee around that time).	Gale Beattie	Strategic Place Planning	Place	2.2		
58	Wellington Road Multimodal Corridor Study - STAG Part 2	The City Growth and Resources Committee on 18 September 2018 agreed to instruct the Chief Officer – Strategic Place Planning to conduct a STAG Part 2 Appraisal, to consider the eight options identified in the STAG Part 1 report, as detailed in section 3.4, and that consideration be given to the emerging options from the STAG Part 1 External Transportation Links to Aberdeen South Harbour and ensure that both STAG Part 2 reports are submitted to this committee for consideration at the same time.	Given the length of time needed to undertake a full STAG 2 Appraisal, we wouldn't expect this work to be complete until late 2020 so we would be anticipating reporting March/April 2021 (or nearest appropriate committee around that time).	Will Hekelaar/Gale Beattie	Strategic Place Planning	Place	2.2		

## OPERATIONAL DELIVERY COMMITTEE

### MINUTE OF MEETING OF 9 JANUARY 2020

#### REVIEW OF LEASED CENTRES AND LEARNING CENTRES – OPE/20/012

1. The Committee had before it a report by the Chief Officer – Early Intervention and Community Empowerment, which reported on the review of leased centre and learning centre provision and made recommendations to ensure best value and scrutiny of service provision.

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

In relation to Leased Centres:

- (a) recommend to the City Growth and Resources Committee that they instruct the Chief Officer – Corporate Landlord, to replace the existing lease and management agreement arrangements with a new lease only; such lease to give the Council the power to terminate the lease at any time by providing 12 months' notice and otherwise to contain such provisions as will, in the opinion of the Chief Officer – Corporate Landlord following consultation with the Chief Officer – Governance, protect the Council's interests;
- (b) note that future development grants, as may be agreed via the Council's budgetary process, will be provided by means of condition of funding letters from the Chief Officer – Early Intervention and Community Empowerment, as detailed in section 9 of the report.

In relation to Learning Centres:

- (c) instruct the Chief Officer – Early Intervention and Community Empowerment, to review the Council's Operational Agreements with learning centre associations over the next 12 months and thereafter to report back to this Committee with the outcome and findings of this review.

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

in relation to Leased Centres:

- (i) **to recommend to the City Growth and Resources Committee that they instruct the Chief Officer – Corporate Landlord to replace the existing leases and management agreements with ten year leases (or leases for such shorter periods as the tenants may wish) only; such leases to give the Council the power to terminate the leases at any time by providing 12 months' notice, on specified grounds, and otherwise to contain such provisions as are agreed with the tenants;**
- (ii) to note that future development grants, as may be agreed via the Council's budgetary process, will be provided by means of funding letters from the Chief Officer – Early Intervention and Community Empowerment, as detailed in section 9 of this report;
- (iii) to agree that the funding for leased community centres should be agreed as part of the council's annual budget setting process and recommends to the Council, for 2020/21, there should be no reduction in the direct and indirect financial support provided to leased community centre management committees;

- (iv) **notes that the leased community centre management committees will require to seek independent legal advice during the negotiation of new leases and recommends to the City Growth and Resources Committee that they instruct that the Council will meet the reasonable costs of this and that the Chief Officer – Corporate Landlord report to the relevant committee on how this can be facilitated.**

in relation to Learning Centres:

- (v) Instruct the Chief Officer – Early Intervention and Community Empowerment to review the Council’s Operational Agreements with learning centre associations over the next 12 months and thereafter to report back to this Committee with the outcome and findings of this review.

The report can be accessed [here](#).

DRAFT

## ABERDEEN CITY COUNCIL

<b>COMMITTEE</b>	City Growth and Resources Committee
<b>DATE</b>	6 <sup>th</sup> February 2020
<b>EXEMPT</b>	No
<b>CONFIDENTIAL</b>	No
<b>REPORT TITLE</b>	Performance Management Framework Reporting – Place Function
<b>REPORT NUMBER</b>	COM/20/017
<b>DIRECTOR</b>	N/A
<b>CHIEF OFFICER</b>	Martin Murchie
<b>REPORT AUTHOR</b>	Alex Paterson
<b>TERMS OF REFERENCE</b>	Purpose 5

### 1. PURPOSE OF REPORT

- 1.1 The purpose of this report is to present Committee with the status of key performance management framework measures relating to the Place function, incorporating the City Growth and Strategic Place Planning Clusters

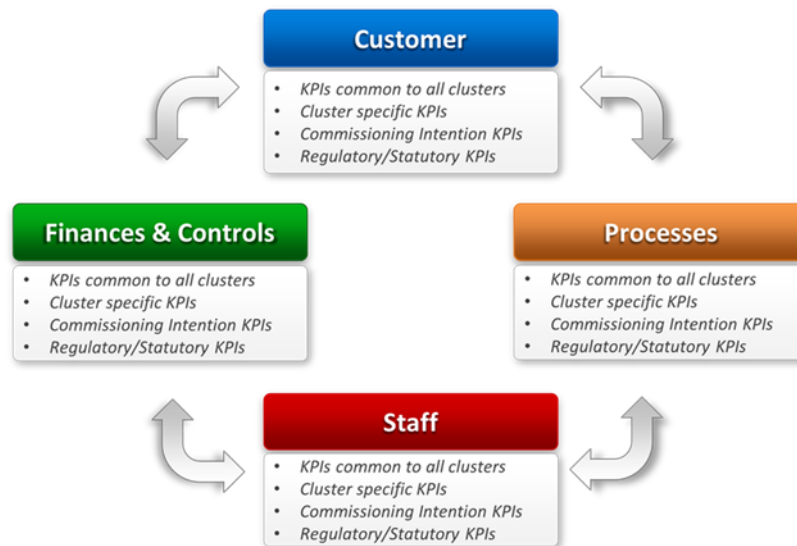
### 2. RECOMMENDATION(S)

That the Committee

- 2.1 Scrutinises and offers comment on the performance information contained in the attached appendix.

### 3. BACKGROUND

- 3.1 On 28<sup>th</sup> March 2019, the Council's Strategic Commissioning Committee agreed a revised Performance Management Framework which set out arrangements for establishing and reporting performance measures to the Council's Committees. The Framework recognises that the City's refreshed Local Outcome Improvement Plan (LOIP) has put in place updated measures, through stretch outcomes and key improvement measures, and that these have been aligned to the Council Delivery Plan, agreed by Council on 5<sup>th</sup> March 2019.
- 3.2 In addition, the Framework provided an amended approach within which performance will be reported to committees. This presents performance data and analysis within four perspectives as shown below.



- 3.3 Appendix A provides an overview of current performance across the Place function, in line with the Framework above, with reference to recent trends and performance against target, reflecting the reporting templates which were noted at the meeting of this Committee on 6<sup>th</sup> June 2019.
- 3.4 The Council's Public Performance Reporting obligations, including the annual publication of a suite of Statutory Performance Indicators, outlining the annual performance of services, are embedded within this Framework.
- 3.5 As reflected in Appendix A, these incorporate material reflection against nationally comparative 2018-19 performance data, aligning with the national Scottish Local Government Benchmarking Framework. This additional reporting, based on currently available data, which is in advance of full national report publication, meets and satisfies the extended requirements set out in the Account Commission's 'Publication of Information ( Standards of Performance) Direction 2018.under Statutory Performance Indicator 2: Demonstrating Best Value.
- 3.6 Additional outcome-based performance measures for in-house delivery against the LOIP, and, subsequently enabling Functions (contributing outcomes and services which do not directly deliver the LOIP), continue to be developed iteratively, supporting the sequential work around implementing Stages 4 and 5 Council's Strategic Commissioning Approach, which will span the 2019/20 and part of the 2020/21 financial year.
- 3.7 Progress to date on implementation of the Approach, and the role of effective performance management in facilitating a 'Commissioning Council' was last reflected in the report presented to the Strategic Commissioning Committee on 28<sup>th</sup> August 2019.
- 3.8 Members may also wish to consider the strategic background to Appendix A in the context of the recent reports covering independent evaluation of the city's economic and structural 'well-being', [Aberdeen Economic Policy Panel Report 2019](#) along with the Council's partnership approach to economic



development, , considered at the previous meeting of this Committee [City Growth and Resources Committee, 3rd December 2019](#)

3.9 Within the summary dashboards (Appendix A) the following symbols are used:

**Performance Measures**

**Traffic Light Icon**



On target or within 5% of target



Within 5% and 20% of target and being monitored



Below 20% of target and being actively pursued



Data only – target not appropriate

**4. FINANCIAL IMPLICATIONS**

There are no direct implications arising out of this report.

**5. LEGAL IMPLICATIONS**

There are no direct implications arising out of this report regarding legal issues.

**6. MANAGEMENT OF RISK**

	Risk	Low (L), Medium (M), High (H)	Mitigation
<b>Financial</b>	No related financial risks.	L	N/A
<b>Legal</b>	The Council fails to meet requirements relating to the Public Performance Reporting	L	Publication of service performance information in the public domain ensures that the Council is meeting its legal obligations in the context of Best value reporting.
<b>Employee</b>	No related employee risks	L	N/A
<b>Customer</b>	Lack of sufficient access to information for citizens	L	Placing of information in the public domain contributed to by this report

<b>Environment</b>	That the Council fails to make best use of resources and materials	L	The increasing use of digital data gathering and circulation for reporting purposes serves to limit use of materials
<b>Technology</b>	Available technology is not utilised to full effect or used inappropriately for purpose	L	Best practice data management and sharing (GDPR compliance) sits at the centre of the Council's digital data reporting framework
<b>Reputational</b>	That the Council fails to communicate openly and effectively in scrutiny of service delivery	L	Reporting of service performance serves to enhance the Council's reputation for transparency and accountability.

## 7. OUTCOMES

<b>Local Outcome Improvement Plan Themes</b>	
	<b>Impact of Report</b>
<b>Prosperous Economy</b>	<p>The activities reflected within this report support the delivery of LOIP Stretch Outcomes 1 and 2</p> <p>Stretch Outcome 1: "10% increase in employment across priority and volume growth sectors by 2026" and</p> <p>Outcome 1 Improvement Project Aims:</p> <p>Stimulate a 5% increase in the number of start-up businesses in growth sectors by 2021.</p> <p>Increase the number of people employed in growth sectors (digital/ creative; food and drink; life sciences; tourism; social care and health and construction) by 5% by 2021.</p> <p>Stretch Outcome 2 – "90% of working people in Living Wage employment by 2026 (Aberdeen Prospers)</p> <p>Outcome 2 Improvement Aims:</p>

	<p>Increase the number of people from priority groups (care experienced young people, people with convictions, people with housing need) employed by public sector partners by 2021.</p> <p>90% of employers reporting that they have appropriately skilled people in their workforce by 2026</p>
<p><b>Prosperous People</b></p>	<p>This report captures activity which contributes to delivery of Stretch Outcomes 5 and 6 –</p> <p>Stretch Outcome 5 - “95% of care experienced children and young people will have the same levels of attainment in education, emotional wellbeing, and positive destinations as their peers by 2026</p> <p>Outcome 5 Improvement Aim:</p> <p>Increase the number of care experienced young people accessing a positive and sustained destination by 25% by 2022</p> <p>Stretch Outcome 6 - “95% of children living in our priority localities will sustain a positive destination upon leaving school by 2026”</p> <p>Outcome 6 Improvement Aim</p> <p>Increase the number of young people living in Quintiles 1,2 and 3 who achieve a sustained positive destination by working with communities to 90% by 2022</p>
<p><b>Prosperous Place</b></p>	<p>The report reflects on activity which contributes to Stretch Outcome 15:</p> <p>Stretch Outcome 15 - “38% of people walking and 5% of people cycling as main mode of travel by 2026” (Sustainable City Group)</p> <p>Outcome 15 Improvement Aims</p> <p>Increase % of people who walk as main mode of travel to 31% by 2021</p> <p>Increase % of people who cycle as main mode of travel to 3% by 2021</p>

<b>Design Principles of Target Operating Model</b>	
	<b>Impact of Report</b>
<b>Customer Service Design</b>	The report supports a focus on the delivery of customer centric services through the scrutiny of service delivery to customers. The review and realignment of performance measures will be done in the context of a customer centric service design and delivery.
<b>Organisational Design</b>	The report reflects recognition of the process of organisational design and provides assurance through scrutiny of operational effectiveness. The review and realignment of performance measures will support the redesign of the organisation.
<b>Governance</b>	Oversight and scrutiny of operational performance, including that provided by external inspection, supports the robustness of governance arrangements between and across internal and external providers
<b>Workforce</b>	The performance report does and will continue to support understanding of the role and development of the workforce.
<b>Process Design</b>	As the interim structure embeds, development and integration of process design will be influenced by continual evaluation of the performance and outcome measures applied to service provision.
<b>Technology</b>	Technology is being used both in the capture and analysis of data and in the improvement planning of services.
<b>Partnerships and Alliances</b>	Continuous review of the outcomes, and effectiveness, of in-house services provides assurance to critical partners where there are shared objectives. Where available data sharing between partners will be used to monitor performance and support improvement.

## 8. IMPACT ASSESSMENTS

<b>Assessment</b>	<b>Outcome</b>
<b>Equality &amp; Human Rights Impact Assessment</b>	The recommendations arising from this report do not require that a full Equality and Human Rights Impact Assessment is completed
<b>Data Protection Impact Assessment</b>	Not required
<b>Duty of Due Regard / Fairer Scotland Duty</b>	Not applicable

## 9. BACKGROUND PAPERS

[Aberdeen City Council Delivery Plan Strategic Commissioning Approach](#), Strategic Commissioning Committee. 28<sup>th</sup> August 2019  
[Council Financial Performance, Quarter 2 2019-20](#), City Growth and Resources Committee, 30<sup>th</sup> October 2019  
[Economic Policy Panel Annual Report 2019](#), City Growth and Resources Committee, 5<sup>th</sup> December 2019

## 10. APPENDICES

Appendix A – Place Function Performance Management Framework **TO FOLLOW**

## 11. REPORT AUTHOR CONTACT DETAILS








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## Appendix A - Performance Management Framework Report – City Growth and Strategic Place Planning Clusters

## CITY GROWTH

## 1. Customer

Performance Measure	2018/19	Quarter 3 2018/19	Quarter 4 2018/19	Quarter 1 2019/20	Quarter 2 2019/20	2019-20 Target	Status	Long Trend
	Annual Baseline Value	Value	Value	Value	Value			
Total No. complaints received (stage 1 and 2) – City Growth	3	0	1	0	1			
% of complaints resolved within timescale stage 1 and 2) – City Growth	100%		100%		0%	75%*		
% of complaints with at least one point upheld (stage 1 and 2) – City Growth	66%		0%		0%			
Total No. of lessons learnt identified (stage 1 and 2) – City Growth **	0		0		0			







## Complaint Handling Note

\* The corporate target for complaint resolution of 75% has been adopted by services during the first year of the interim TOM structures and will be reviewed at Cluster level at conclusion of the financial period to accommodate the setting of future improvement aims and baselines based on the outcomes from 2019/20.

\*\*Lessons learnt referred to in this Appendix are lasting actions taken/changes made to resolve an issue and to prevent future re-occurrence for example amending an existing procedure or revising training processes.









## 1. Processes

## Cluster Level Measures – Local Indicators

Performance Indicator	2018/19		Quarter 3 2018/19		Quarter 4 2019-20		Quarter 1 2019/20		Quarter 2 2019/20		Quarter 3 2019/20	
	Annual Baseline Value	Long Trend	Value	Short Trend	Value	Short Trend	Value	Short Trend	Value	Short Trend	Value	Short Trend
Number of visits to Museums and Galleries venues in person	104,111		20,385		17,481		28.762		39.360		97,329	

## Museums and Galleries Note

Since re-opening to the general public in November, the Aberdeen Art Gallery and Museum has generated 76,481 visits in person (excluding pre-opening visits and tours) which represents an increase of 53,848 (+237%) against the same two-month period immediately before closure for re-development.

Performance Indicator	Quarter 1 2019-20		Quarter 2 2019-20		Quarter 3 2019-20		Quarter 4 2019-20	
	Value	Status	Value	Status	Value	Status	Value	Status
Year-to-date percentage of participants progressing to a positive outcome within 6 weeks of exiting the NOLB programme*	14.2%		40%					
Year-to date number of participants progressing to a positive outcome within 6 weeks of exiting the NOLB programme*	**		8					

## No One Left Behind (NOLB) Measure Note





\*The former Activity Agreements programme was replaced by the 'No One Left Behind' strategy as of April 2019 and introduced an extended age range and a revised suite of reportable outcome measures. The above measure has since been revised to present cumulative data which, where possible, reduces the need for data



suppression, focuses on the current financial period and mitigates against statistical variations created by quarterly reporting against a relatively small number of participations.

\*\*Participant data against this measure has been suppressed for specific quarters as publication could lead to the identification of individuals due to the limited cohort numbers involved

#### Cluster Level Measures – National Service Standard Benchmark Indicators (Scottish Local Government Benchmarking Framework)

Performance Measure	2016/17	2017/18	2018/19	Quartile Status ^	Value Short Trend	Indicator Ranking Long Trend	National Figure
	Value	Value	Value				
Cost per visit to Museum and Galleries services	£2.38	£3.92	£3.00	2			£3.48
% Unemployed People Assisted into work from Council operated / funded Employability Programmes (model-based – as % of City unemployment)	7.25%	5.9%	5.5%	4			12.6%

#### Scottish Local Government Benchmarking Service Standard Analysis

##### Museums and Galleries

There was a total of 968,414 visits to Museum and Galleries services during 2018-19, an increase of 14.7% on the previous year whilst LFR based cost levels were reduced by 10.8% year-on-year, from £3.54m to £3.16m. At these levels, the Cost Per Visit has improved on 2017-18, and retained the service's ranking quartile position whilst reverting to a favourable position in comparison with the national average cost.

##### Employability

This measure is closely related to the Local Statutory Performance Indicator measure reported to the September meeting of this Committee that indicated an increase in the proportion of participants assisted into work to 6.6% The Scottish Local Government Benchmarking Framework indicator reflects the availability of more recent calculations of unemployment levels\*\* ( published in October 2019) which results in a marginal fall in outcome, consistent with the national trend for this indicator, and an unchanged quartile position.



The practical impact of these Council programmes is best represented through participant outcomes which, in 2018-19, saw a total of 813 people receiving directly council funded or operated employability support and 272 (33.4%) of participants securing work. In 2017-18, the comparable outcome was 29.5%. The








wider measure used by the SLGBF, including additional partner programmes saw a total of 349 participants securing work from a model-based unemployment count of 6,300. In 2017-18, these figures were 330 participants against a lower level of unemployment of 5,600.

Members are asked to note that a report, related to this Indicator, on the Council's involvement in the Employability Pipeline programme is due to be considered at this meeting of Committee









\*\*Local calculations use claimant count data (4,121) as a proxy denominator measure to meet the submission deadlines for SPI information whilst the SLGBF data source is the later Office of National Statistics publication of regional labour market unemployment models

## 2. Staff

Performance Measure	2018/19	July 2019	August 2019	September 2019	Status	Long Trend - Monthly
	Annual Baseline Value	Value	Value	Value		
Average number of days lost through sickness absence – City Growth (rolling 12 months)	7.6	6.4	6.6	6.2		

Performance Measure	2018/19	Quarter 3 2018/19	Quarter 4 2018/19	Quarter 1 2019/20	Quarter 2 2019/20	Status	Long Trend - Quarterly
	Annual Baseline Value	Value	Value	Value	Value		
H&S Employee Reportable by Cluster – City Growth	0	0	0	0	0		
H&S Employee Non-Reportable by Cluster – City Growth	4	1	1	1	1		
H&S Near Misses by Cluster – City Growth	2	0	2	0	1		
Establishment actual FTE – City Growth (quarterly snapshot)		123.12	122.34	115.92	107.7		

## 3. Finance &amp; Controls ^

Performance Indicator	Quarter 1 2019-20		Quarter 2 2019-20		Quarter 3 2019-20		Quarter 4 2019-20	
	Value	Status	Value	Status	Value	Status	Value	Status
Revenue Budget - % Expenditure v Budget (Full Year) – City Growth ^^	July Finance Report*		October Finance Report*		February Finance Report*		Finance Report	
Staff Expenditure – % spend to full year budget profile – City Growth ^^	23.99%		47.11%					

## Finance and Controls Note



\*Function level data relating to capital spend and financial performance is provided through City Growth and Resources (Finance) reporting. [Aberdeen City Quarterly Financial Statement, Quarter 2 2019-20](#)






^Work is presently ongoing to develop publication of individual cluster-based Control measures which will be reflected in 2020/2021 performance reporting.

^^Quarterly net budget profiles and variances for City Growth, including Staff Expenditure, are influenced by the timings of project expenditure, and revenue receipts from significant external funding streams, across the fiscal year affecting Business Trade and Growth, Employability and Development functions in particular.

## STRATEGIC PLACE PLANNING

## 1. Customer \*



Performance Measure	2018/19	Quarter 3 2018/19	Quarter 4 2018/19	Quarter 1 2019/20	Quarter 2 2019/20	2019/20 Target	Status	Long Trend - Quarterly
	Annual Baseline Value	Value	Value	Value	Value			
Total No. complaints received (stage 1 and 2) – Strategic Place Planning	13	4	5	1	1			





Performance Measure	2018/19	Quarter 3 2018/19	Quarter 4 2018/19	Quarter 1 2019/20	Quarter 2 2019/20	2019/20 Target	Status	Long Trend - Quarterly
	Annual Baseline Value	Value	Value	Value	Value			
% of complaints resolved within timescale stage 1 and 2) – Strategic Place Planning	69.2%	100%	60.0%	100%	100%	75%*		
% of complaints with at least one point upheld (stage 1 and 2) – Strategic Place Planning	61.5%	100%	20%	0%	0%			
Total No. of lessons learnt identified (stage 1 and 2) – Strategic Place Planning **	3		0	0	0			

Complaint Handling Note

\* The corporate target for complaint resolution of 75% has been adopted by services during the first year of the interim TOM structures and will be reviewed at Cluster level at conclusion of the financial period to accommodate the setting of future improvement aims and baselines based on the outcomes from 2019/20.

\*\*Lessons learnt referred to throughout this Appendix are lasting actions taken/changes made to resolve an issue and to prevent future re-occurrence, for example amending an existing procedure or revising training processes.

Performance Measure	Quarter 2 2019-19	Quarter 3 2018-19	Quarter 4 2018-19	Quarter 1 2019-20	Quarter 2 2019-20	Status	Long Trend - Quarterly	National Quarter 2 Figure
	Value	Value	Value	Value	Value			
Percentage and Number of Processing Agreements agreed within timescale	98.3% (60)	100% (104)	98.6% (69)	96.7% (61)	100% (50)			77.3%



Performance Indicator	Quarter 1 2019-20		Quarter 2 2019-20		Quarter 3 2019-20		Quarter 4 2019-20	
	Value	Status	Value	Status	Value	Status	Value	Status
Percentage and number of first reports, (for building warrants and amendments) issued within 20 working days *	98.2% (330)		97.2% (288)					



#### Planning Note

\*This performance indicator measures the time taken to provide a first technical report for all warrant and amendment to warrant applications, which is part of the national reporting suite. The performance target set by the Scottish Government is that 95% of first reports, (for building warrants and amendments), should be issued within 20 working days.





## 2. Processes

### Cluster Level Measures – Local Indicators

Performance Measure	Quarter 2 2018-19	Quarter 3 2018-19	Quarter 4 2018-19	Quarter 1 2019-20	Quarter 2 2019-20	Status	Long Trend - Quarterly	National Quarter 2 Figure
	Value	Value	Value	Value	Value			
Average Determination Times of Major Development Planning Applications (weeks)	11.5	25.9	NA	14.1	22.3			32.7
Average Determination Times of All Local Development Planning Applications (weeks)	8.1	7.4	7.3	7.0	7.4			9.1
Average Determination Times of Non-Householder Local Planning Applications (weeks)	9.2	8.4	8.3	7.9	8.0			11.0
Average Determination Times of Householder Planning Applications (weeks)	7.1	6.8	6.9	6.2	6.9			7.4

Performance Measure	Quarter 2 2018-19	Quarter 3 2018-19	Quarter 4 2018-19	Quarter 1 2019-20	Quarter 2 2019-20	Status	Long Trend - Quarterly	National Quarter 2 Figure
	Value	Value	Value	Value	Value			
Average Determination Times of Local Business and Industry Planning Applications (weeks)	8.1	5.7	9.5	6.0	6.7			10.4

#### Cluster Level Measures – National Service Benchmark Indicators\* (Scottish Local Government Benchmarking Framework)

Performance Measure	2016/17	2017/18	2018/19	Quartile Status ^	Value Short Trend	Indicator Ranking Long Trend	National Figure
	Value	Value	Value				
Average Determination Times of Business and Industry Planning Applications (weeks)*	10.0	8.5	7.5	1			9.1
Cost of Planning and Building Standards per planning application**	£5,257	£6,695	£5,267	4			£4,439

#### Scottish Local Government Benchmarking Service Standard Analysis

##### Planning Application Determination Times

\*The Average Determination Times for Business and Industry Planning Applications have fallen consistently over the past three years, is in the upper quartile of authority performance for the first time since the LGBF measure was introduced in 2012-13, is better than the national figure for the second consecutive year and is amongst the most improved in Scotland both short and long term.

##### Planning and Building Standards Cost

\*\*This is a newly revised SLGBF measure for 2018-19 (populated with back-dated information) which is currently in review and requires to be assessed for consistency in the context of the formal full and comprehensive data on Annual Planning Performance at local authority level provided through the [National Planning Performance Framework](#).

The treatment of LFR-based costings at individual LA level against this indicator can heavily influence outcomes, so an element of caution requires to be exercised at this point in time in determining relative performance and trend direction. Notwithstanding these observations, the service is initially positioned in the lowest performance quartile for 2018-19, although recording a substantive cost improvement and some positive movement within the quartile group.

The level of planning applications processed, used as the denominator for this measure, is also a substantive year-on-year and cross authority influence against this indicator which makes direct comparisons of cost, and short-term trend analysis, a less definitive methodology for assessing relative performance.



In 2018-19, there were 613 planning applications processed as opposed to 688 in the previous year with a reduction in gross planning expenditure from £4.6m to £3.24m.

As a cost per 1,000 of population indicator, which is an alternative measure that mitigates against the natural fluctuations in planning application levels, the City's planning function is provisionally calculated at £14,234 in 2018-19 that places Aberdeen in Quartile 1 amongst all local authorities, substantially below the national outcome of £20,428

Scottish Local Government Benchmarking Framework Note

\* These measures align with the annual National Headline Indicator suite submission. An extended range of Strategic Place Planning measures relating to both Customer and Process themes is captured annually through publication of the Councils [Planning Performance Framework Report](#) document

### 3. Staff

Performance Measure	2018/19	July 2019	August 2019	September 2019	Status	Long Trend - Monthly
	Annual Baseline Value	Value	Value	Value		
Average number of days lost through sickness absence – Strategic Place Planning (rolling 12 months)	3.2	3.3	3.4	3.1		

Performance Measure	2018/19	Quarter 3 2018/19	Quarter 4 2018/19	Quarter 1 2019/20	Quarter 2 2019/20	Status	Long Trend - Quarterly
	Annual Baseline Value	Value	Value	Value	Value		
H&S Employee Reportable by Cluster – Strategic Place Planning	1	1	0	0	0		
H&S Employee Non-Reportable by Cluster – Strategic Place Planning	1	0	0	1	0		
H&S Near Misses – Strategic Place Planning	6	1	0	1	0		
Establishment actual FTE – Strategic Place Planning (quarterly snapshot including HRA funded posts)		124.36	122.67	125.73	118.67		

4. Finance & Controls \*

Performance Indicator	Quarter 1 2019-20		Quarter 2 2019-20		Quarter 3 2019-20		Quarter 4 2019-20	
	Value	Status	Value	Status	Value	Status	Value	Status
Revenue Budget - % Expenditure v Budget (Full Year) – Strategic Place Planning ^	July Finance Report*		October Finance Report*		February Finance Report*		Finance Report	
Staff Expenditure – Spend to full year budget profile – Strategic Place Planning	24.39%		48.85%					
YTD % of budgeted income received from Planning Application fees +	17%		44.5%		71%			
YTD % of budgeted income received from Building Warrant fees	46.8%		81.4%		110.7%			



## Finance and Controls Note









\*Work is presently ongoing to develop publication of additional individual cluster-based Control measures which will be reflected in 2020/2021 performance reporting.

^Function level data relating to capital spend and financial performance is provided through City Growth and Resources (Finance) reporting. [Aberdeen City Quarterly Financial Statement, Quarter 2 2019-20](#)

+ Income flow from fees is traditionally affected by seasonality in the construction industry and the overall level of applications with historical data evidence being suggestive that a closing of the 'income gap' is generated against each subsequent quarter of the financial year. The Scottish Government is currently undertaking a national consultation in regard to revising the planning performance and fees regime, linked to implementation of the Planning (Scotland) Act 2019

## PLACE

## Function Level Measures – National Strategic Benchmark Indicators\* (Scottish Local Government Benchmarking Framework)

Performance Measure	2016/17	2017/18	2018/19	Quartile Status ^	Value Short Trend	Indicator Ranking Long Trend	National Figure
	Value	Value	Value				
% of people in employment earning less than the Living Wage	18.0%	16.4%	14.0%	1			19.4%
Number of Business Gateway start-ups per 10,000 of population	18.1	23.3	23.1	1			16.7%
Immediately available employment land as a % of total land allocated for employment purposes in the local development plan	22.4%	23.2%	23.2%	3			37.4%
Town Vacancy Rates	9.0%	9.6%	11.4%	3			10.0%

## Scottish Local Government Benchmarking Framework Note

\*An extended range of national framework Economic Development measures, from which these datasets are sourced, is captured annually through publication of the national [SLAED National Headline Indicator Report](#), [SDS Annual Participation Measure Report](#) and Scottish Growth Sector statistics releases. Analysis against Strategic Benchmark Indicators from the Scottish Local Government Benchmarking Framework will become available on publication of the full SLGBF report in Spring 2020.






^Quartile Status refers to the measures positioning within the supplemental Indicator Ranking across all contributing Scottish Local Authorities with Quartile 1 representing the highest performance/lowest cost

### Function Level Measures – National Growth Industry Indicators

Performance Indicator	2017		2018		2019	
	Value	Long Trend	Value	Long Trend	Value	Long Trend
Number of business enterprises involved in Food and Drink sectors	115	↑	115	↑	120	↑
Number of business enterprises involved in Life Sciences sectors	30	↓	35	↑	40	↑
Number of business enterprises involved in Sustainable Tourism (Tourism related Industries)	535	-	545	↑	560	↑
Number of business enterprises involved in Creative and Cultural sectors	850	↓	845	↓	865	↑

#### Growth Sector Industry Statistics Note

2019 information relating to employment levels within each of these sectors is published in October 2020 by the Scottish Government

PI Status		Long Term Trends		Short Term Trends	
	Alert	↑	Improving/Increasing	↑	Improving/Increasing
	Warning	-	No or Limited Change	-	No or Limited Change
	OK	↓	Getting Worse/Decreasing	↓	Getting Worse/Decreasing
	Unknown				
	Data Only				

## ABERDEEN CITY COUNCIL

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<b>COMMITTEE</b>	City Growth and Resources
<b>DATE</b>	06 February 2020
<b>EXEMPT</b>	No
<b>CONFIDENTIAL</b>	No
<b>REPORT TITLE</b>	Credit Rating Annual Review
<b>REPORT NUMBER</b>	RES/20/040
<b>DIRECTOR</b>	Steven Whyte
<b>CHIEF OFFICER</b>	Jonathan Belford
<b>REPORT AUTHOR</b>	Neil Stewart
<b>TERMS OF REFERENCE</b>	Purpose 7

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### 1. PURPOSE OF REPORT

- 1.1 To provide an overview of the recent credit rating annual review and report the outcome of the review.

### 2. RECOMMENDATION(S)

That the Committee:-

- 2.1 Note the outcome of the annual review was affirmation of the Aa3 rating, with the economic outlook reduced to 'negative' from 'stable', in line with the recent change to the UK's rating.

### 3. BACKGROUND

- 3.1 During 2016/17, Aberdeen City Council became the first local authority in Scotland to be awarded a credit rating and subsequently secure funding towards its capital investment programme, by issuing bonds of £370 million on the London Stock Exchange (LSE).

- 3.2 The credit rating must be maintained over the term of the bonds with the credit rating agency conducting a review at least once every twelve months.

- 3.3 At its meeting on 14 December 2016, Council considered a report "Bond Financing Strategy – Implications for the Council" which provided details on the implications of the award of a credit rating by Moody's Investor Services. The report can be viewed using the following link (item 15):

<http://councilcommittees/ieListDocuments.aspx?CId=122&MId=3897&Ver=4>

- 3.4 A credit rating, from a recognised credit rating agency, had to be secured to enable the Council to issue bonds. In determining a credit rating, the agency considered the strength of the institutional framework within which a Scottish local authority operates as well as considering the performance of the economy within which the local authority operates.

3.5 In addition, the Council was required to submit detailed financial information to the ratings agency in order to demonstrate its stewardship, including annual accounts; past, present and future budgetary information and analysis including the main income streams; capital programmes and major projects; analysis of past and projected future reserves and balances; treasury management policy and strategy; credit metrics; and 35 year projected income statement, cashflow statement and balance sheet.

### 3.6 **Annual Review Process**

The first annual review took place in October 2017 and on 20 November 2017, Moody's issued their credit opinion, Aa3 with a stable outlook, no change from that issued in September 2017. This was reported to the Finance, Policy & Resources Committee on 1 December 2017 and can be viewed using the following link (item 14):

<https://committees.aberdeencity.gov.uk/ieListDocuments.aspx?CId=146&MId=4336&Ver=4>

3.7 The second annual review took place in November 2018 and on 22 November 2018, Moody's issued their credit opinion, Aa3 with a stable outlook, no change from that issued in November 2017. This was reported to the City Growth and Resources Committee on 27 November 2018 and can be viewed using the following link (item 14):

<http://councilcommittees.acc.gov.uk/ieListDocuments.aspx?CId=618&MId=6194&Ver=4>

3.8 As advised in previous reports, the Economic Policy Panel (EPP) was established to produce an annual economic report which, as independent validation of economic policy and performance, would provide a robust economic analysis to Moody's from 2018 onwards.

3.9 The timing of the 2019 credit rating annual review was therefore dependant on the publication of the EPP's annual report and as such, with the Panel's report being launched at the State of the Cities Conference on 5 November 2019, the review meeting was set for 13 November 2019.

3.10 The meeting focussed on providing information the past, current and future financial position, treasury and debt management, governance and Brexit implications as highlighted by Moody's as their main areas of interest. The EPP's report was shared with Moody's on 11 November and they were given the opportunity to ask questions on this.

### 3.11 **Annual Review Outcome**

On 20 December 2019, Moody's issued their credit opinion, Aa3 with a negative outlook. The downgrade in the negative outlook follows, and is in line with, the recent downgrade to the UK's economic outlook. The full published credit opinion is included in Appendix 1 and can be summarised as follows:

3.11.1 The credit profile reflects a strong institutional framework, a strong track record of operating performance and a wealthy local economy in addition to a high debt burden to finance their capital programme and key project risk from the development of The Event Complex Aberdeen (TECA).

3.11.2 The credit profile also reflects a high likelihood that the UK government (Aa2 negative) intervene in the event of acute liquidity stress.

3.11.3 The credit opinion highlights those factors which could lead to a future upgrade or downgrade, with these including changes in financial performance or a material increase in debt levels. In addition, a downgrade in the sovereign rating, a change in the relationship between Scotland and the UK or a dilution of the regulatory or institutional framework for Scottish Local Authorities could exert downward pressure on the rating.

### 3.12 Future Annual Reviews

As previously mentioned, the credit rating must be maintained over the period of the bonds. This means a formal review of this nature will take place annually. We expect each review will have a strong focus on the current and projected financial position of the Council and therefore continued strong financial governance and reporting is imperative to support the maintenance of the current level credit rating.

## 4. FINANCIAL IMPLICATIONS

4.1 Whilst there are no direct financial implications arising from the recommendations of this report, it is important to note that the bond issuance places a financial commitment on the Council until 2054. The first principal bond repayment was made in August 2019, with the next principal repayment due in February 2020.

4.2 In addition, financial stability and strong financial management are key elements to maintaining a credit rating throughout the period of the bonds.

## 5. LEGAL IMPLICATIONS

5.1 There is a specific requirement within the bond documentation that a credit rating be maintained throughout the period of the bonds.

5.2 While the Council's bonds are trading on the LSE, the Council is required to comply with the Market Abuse Regulations, the Disclosure and Transparency Rules, the Listing Rules and ongoing obligations as set out in the LSE Admission and Disclosure Standards.

## 6. MANAGEMENT OF RISK

	Risk	Low (L), Medium (M), High (H)	Mitigation
<b>Financial</b>	The Council must endeavour to maintain a suitable credit rating. Should the credit rating	L	These risks are mitigated by having robust governance processes in place which ensures the Council can

	<p>fall the liquidity of the bonds in the secondary market will drop. If concerned, bondholders may call a meeting which would analyse the Council's financial position and the Council are obliged to respond honestly to all questions.</p> <p>Further if the credit rating falls such that it is three notches below the UK sovereign rating, the bondholders can request repayment of the bonds.</p> <p>In addition, if the credit rating falls then the Council's ability to obtain other financial products in marketplace may become more expensive and/or difficult to access. This is due to the perceived risk in investing in a lower credit rated body.</p>		<p>react and act promptly to address issues arising. The Council monitors the key work programmes identified to ensure these risks are mitigated as far as possible.</p>
<b>Legal</b>	<p>Failure to adhere to the relevant legislation, rules and regulations may result in the Financial Conduct Authority (FCA) seeking to investigate the governance arrangements in place to comply with the LSE requirements. This could be on a corporate and/or individual basis and represents both a legal and reputational risk.</p>	L	<p>These risks are mitigated through monitoring of key governance programmes by the Council.</p>
<b>Employee</b>	<p>Council employees and councillors have access to an array of information which may be confidential and/or inside information in terms of the relevant</p>	L	<p>These risks are mitigated by a programme of training in place.</p>

	<p>legislation, rules and regulations that come with being an LSE listed organisation.</p> <p>It is important that all employees and councillors understand the implications of being a listed organisation and having a credit rating and the specific requirements this puts on them.</p>		
--	---	--	--

## 7. OUTCOMES

Local Outcome Improvement Plan Themes	
	Impact of Report
<b>Prosperous Economy</b>	The bond issuance has provided a source of financing which allows investment in the city through the projects identified within the Council's capital programmes.
<b>Prosperous People &amp; Place</b>	Investment in the city enhances the lives of its citizens and those of the wider region through the provision of better facilities.

This report does not impact on the design principles of the Target Operating Model.

## 8. IMPACT ASSESSMENTS

Assessment	Outcome
<b>Equality &amp; Human Rights Impact Assessment</b>	Not Required
<b>Privacy Impact Assessment</b>	Not Required
<b>Duty of Due Regard / Fairer Scotland Duty</b>	Not Applicable

## 9. BACKGROUND PAPERS

9.1 Bond Financing Strategy – Implications for the Council (Council 14/12/16)

**10. APPENDICES**

Appendix 1 – Moody’s Credit Opinion (20 December 2019)

**11. REPORT AUTHOR CONTACT DETAILS**

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## CREDIT OPINION

20 December 2019

✓ Rate this Research

### RATINGS

#### Aberdeen City Council

Domicile	United Kingdom
Long Term Rating	Aa3
Type	LT Issuer Rating - Dom Curr
Outlook	Negative

Please see the [ratings section](#) at the end of this report for more information. The ratings and outlook shown reflect information as of the publication date.

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EMEA	44-20-7772-5454

# Aberdeen City Council (United Kingdom)

## Update to credit analysis

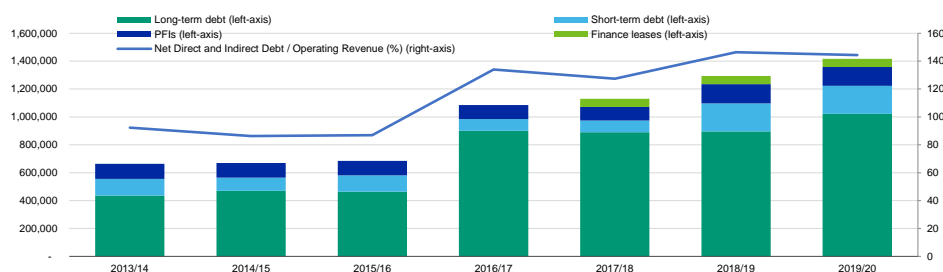
### Summary

The credit profile of [Aberdeen City Council](#) (Aberdeen, Aa3 negative) reflects a strong institutional framework, a strong track record of operating performance and a wealthy local economy, in addition to a high debt burden to finance their capital programme and key project risk from the development of The Event Complex Aberdeen (TECA). The credit profile also reflects a high likelihood that the [UK government](#) (Aa2 negative) would intervene in the event of acute liquidity stress.

#### Exhibit 1

**Aberdeen City Council's debt levels have increased materially since FY2017, but are expected to moderate over the next few years as its capital programme is executed**

Net Debt and Indirect Debt (£ million), Net Debt and Indirect Direct as % of Operating Revenue (%)



FY2020 is a projection, based on the issuer's budget.

Source: Issuer, Moody's Investors Service

### Credit strengths

- » Strong institutional framework for Scottish local authorities
- » Wealthy local economy, with some concentration in oil and gas industries
- » Strong track record of financial performance

### Credit challenges

- » Debt has increased in size and complexity in recent years
- » Implementation of ambitious savings programme to reduce projected operating deficits
- » Exposure to key project risks associated with the development of The Event Complex Aberdeen

## Rating outlook

Aberdeen's outlook is negative, in line with the negative outlook on the UK sovereign.

## Factors that could lead to an upgrade

Factors that could lead to an upgrade include a significant reduction in debt levels, a reduction of the risks associated with its ambitious capital programme and a strengthening of its reserves balance.

## Factors that could lead to a downgrade

Factors that could lead to a downgrade include a failure to realise projected revenues from its capital programme, worsening financial performance and a material increase in debt levels. In addition, a downgrade of the sovereign rating, a change in the relationship between Scotland and the UK or a dilution of the regulatory and institutional framework for Scottish local authorities could also exert downward pressure on the rating.

## Key indicators

Exhibit 2

### Aberdeen City Council

	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19
Net Direct and Indirect Debt / Operating Revenue (%)	92.3	86.3	87.0	134.0	127.5	146.4
Interest payments / Operating Revenue (%)	4.7	4.0	4.0	3.8	5.4	5.6
Gross Operating Balance / Operating Revenue (%)	4.6	10.5	8.3	3.1	3.3	5.1
Capital Financial Surplus (Requirement) / Total Revenue (%)	-1.9	2.6	-3.6	-28.8	-10.5	-13.8
Intergovernmental Transfers / Operating Revenue (%)	57.0	55.9	55.7	53.4	50.9	50.6
Short-Term Direct Debt / Direct Debt (%)	18.1	14.1	16.9	7.7	7.7	15.6
GDP per capita as a % of national average	164.7	154.1	146.0	148.3	148.3	--
Usable Reserves / Operating Revenue (%)	16.3	16.5	12.7	10.8	7.8	6.6

Figures adjusted on a cash basis. [1] Gross value-added figures for Aberdeen and Aberdeenshire as a percentage of the UK average (source: Office for National Statistics, "ONS").  
Sources: Issuer, Moody's Investors Service

## Detailed credit considerations

The credit profile of Aberdeen, as expressed by the Aa3 negative rating, reflects (1) a Baseline Credit Assessment (BCA) of a2, and (2) a high likelihood of extraordinary support from the UK government in the event that the entity faces acute liquidity stress.

### Baseline credit assessment

#### Strong institutional framework for Scottish local authorities

The institutional framework for UK local authorities (LAs) is mature and highly developed, underpinned by a number of key pieces of legislation. The UK LA system is one of the most centralised in Europe and, as such, the rating of LAs are significantly driven by the sovereign rating and central government policy.

In Scotland, the responsibility for funding is devolved, with the Scottish government being allocated a block grant from the UK sovereign, which currently amounts to some 85% of the total budget. The Scottish government then allocates a block grant to Scottish LAs in the form of a general revenue grant, non-domestic rates income (business rates) and a general capital grant. As in England, Scottish LAs' main sources of non-block grant revenue are council taxes, fees, charges, trading and investment income. Intergovernmental transfers are expected to remain around 50% of Aberdeen's budget, which - to some extent - insulates the council from volatility in the local economy. Similar to English LAs, Scottish LAs have to prepare an annual balanced budget and any failure to meet this requirement means the government must be notified by the designated financial officer (Section 95 officer) at the council.

Aberdeen's internal governance and scrutiny is strong, supported by recent assessments from the Accounts Commission. The financial planning process includes a strategic review, underpinned by a medium-term financial plan, a corporate risk register and monitoring

This publication does not announce a credit rating action. For any credit ratings referenced in this publication, please see the ratings tab on the issuer/entity page on [www.moody's.com](http://www.moody's.com) for the most updated credit rating action information and rating history.

of the financial position (which is reported quarterly to the City Growth and Resources Committee). Similar to other LAs, Aberdeen manages a number of partnerships with other public bodies to deliver its social mandate. In addition to this, Aberdeen holds shares in a number of entities and subsidiaries to support the delivery of its objectives. All are financed by Aberdeen, so their funding and savings plans are considered in Aberdeen's medium-term financial plan. None have any debt on their balance sheets.

### **Wealthy local economy, with some concentration in oil and gas industries**

Aberdeen is located in the north east of Scotland, with a population of 230,000. Aberdeen is wealthy compared with the rest of the UK and Scotland. Gross value added per capita in Aberdeen City and Aberdeenshire was £40,667 in 2017 or 148% of the UK average of £27,430. Aberdeen's unemployment rate was 4.1% from June 2018 to June 2019, the same as the Scottish average. It had a job density of 1.2 in 2017, which means it is a net attractor of jobs. It also has a highly skilled population, with 49% educated to National Vocational Qualifications level 4 and above in 2018, compared with the Scottish figure of 44%.

Key industries include oil and gas, health, and research and development. The oil and gas sector remains the primary driver of employment in the Aberdeen and north east Scotland's economy through direct and indirect employment. The recent oil price crash corresponded to a downturn in the local economy in Aberdeen with employment rates falling from a high of 77% in 2015-16 to 73% in fiscal 2017 - showing the sensitivity of the health of the local economy to the oil and gas sector. In addition, the oil and gas industry is particularly exposed to Brexit, and therefore may suffer further depending on the final trade deal that is agreed between the UK and the European Union. However, the current funding framework, as described in the previous paragraph, shelters the council from much of the negative impacts of the downturn — or indeed upturn — in the local economy. Non-domestic rates are centralised and redistributed with any shortfall compensated by central government.

While the results of the Brexit referendum initially brought renewed impetus to the arguments for a second Scottish Independence referendum, we view this as currently having little bearing on the strong ties between the UK government, the Scottish government and in turn the LA sector.

### **Strong track record of financial performance**

Aberdeen has demonstrated a solid financial record for the last five years, maintaining a net budget surplus for the last five years with previous forecasts on expected out-turns being realistic. Aberdeen projects continued surpluses up to fiscal 2023, which are dependent on the realisation of a £123 million savings programme between fiscal years 2020 to 2024.

The savings programme relates to the council-approved Target Operating Model which includes a new organisational design aimed at re-organising the council's functions including incorporating digitalisation of processes when appropriate, reviewing all commissioning activities and improving asset management.

The ratio of gross operating balance to operating revenue was 5.1% in fiscal 2019 and is projected to average around 5.6% over the next three years if savings are delivered as planned.

Aberdeen had £59 million of usable reserves, including a £35 million general fund balance at FYE2019. We expect usable reserves to remain at a decent level over the medium term, however, key credit risks such as the development of the TECA project and the savings programme could have a material impact on reserves if revenue or operating savings do not materialise as planned and are insufficient to meet debt servicing costs.

The Housing Revenue Account (HRA), similar to that in England, is ring fenced and primarily funded through rents. Aberdeen currently has around 22,000 council houses, which are covered by a 30-year HRA business plan. As is the case in England, in Scotland, the HRA cannot subsidise the general fund or vice versa (Housing (Scotland) Act 1987). We consider the consolidated position of the council - including the HRA revenue and debt which adds around £202 million of debt and £911 million of assets (or about 37% of consolidated Aberdeen City Council's total property, plant and equipment).

### **Debt has increased in level and complexity in recent years**

Aberdeen issued a £370 million index-linked bond in November 2016, maturing in 2054. The bond was intended to support the development of its ambitious capital programme, in particular, financing TECA. This has contributed to an increase in Aberdeen's

debt level to 146% of operating revenues in FY2019. We expect debt to continue to increase to fund its capital programme, with an additional £315 million of borrowing planned over FY2020 to FY2024, although the majority of this is planned in FY2020 and FY2021. The bond issuance allowed Aberdeen to delay debt service repayment until fiscal 2020, when TECA opened to the public. The bond is index-linked on the capital repayments - this increases the council's inflation-related risk as a limited proportion of Aberdeen's revenue is index-linked and raises the risk of a potential mismatch between revenue and indexation on the capital. The financing costs on the index-linked bond are projected to be covered by anticipated revenues from the TECA development, if realised as planned.

The remainder of the council's debt portfolio is simple, with some exposure to Lender Option Borrower Option (LOBOs) although these are all held at fixed rates. There is no use of derivatives with respect to interest rate or exchange rate. Aberdeen's current treasury policy states that it can have up to 30% variable rate debt, which is currently at 5%.

The treasury policy is straightforward, reflecting the uncomplicated debt and treasury arrangements. The investment policy is risk averse, with an approved counterparty list with the highest-rated entities maintained and adhered to, investments are currently held and planned to be held in highly rated money market funds. [Clydesdale Bank plc \(LT Bank Deposits, Baa1 RUR\)](#) is responsible for day-to-day banking facilities and offers an overdraft facility of £1.5 million.

Aberdeen also has a number of other existing indirect obligations, the largest of these being the pensions fund, which is showing an actuarial deficit of £310 million. A 19-year recovery plan has been agreed with the trustee to make up the difference. Aberdeen is involved in two Public Private Partnerships (PPP). These include a 30-year PPP contract for the construction, maintenance and operation of 10 schools. The scheme came into operation between May 2009 and April 2011. The other PPP is for another school, Lochside, which came into operation in August 2018 and is for 28 years. The liability value of the PPPs at fiscal year 2019 is £142 million. Aberdeen also has a finance lease for the commercial development at Marischal Square in Aberdeen City Centre which completed in November 2017, for a duration of 35 years. This consists of a hotel, retail and office premises. The discounted present value of the minimum lease payments is £58.4 million, and this has been consolidated into Aberdeen's net debt and indirect debt. Aberdeen City Council will be liable for the annual rental stream from the asset and carries the revenue risk should the project not be successful. Contingency amounts from the deal are available in the first few years of the development, to protect the council against a shortfall in rental income as rental agreements are signed with tenants.

### Key project risk associated with the development of TECA

TECA is the cornerstone of Aberdeen's capital spending programme. The project comprises a new 12,500 capacity seated/standing arena, exhibition and conference centre, three hotels, car parking facilities and an energy centre. Construction started in July 2016 and is now operational as of summer 2019. The total gross construction cost is £425 million.

The project is intended to consolidate Aberdeen's ability to compete globally with other cities in the energy sector, as well as support the diversification of Aberdeen's economy through leisure and business tourism.

TECA is operated by ASM Global which has considerable experience running other major event and conference venues in the UK and globally, and hotel franchise agreements with [Hilton Hotels Corporation](#) (unrated) and [Marriott International, Inc \(Baa2 stable\)](#). Construction risk is now materially lower, as the majority of the programme is now complete, although the Anaerobic Digestion (AD) plant is still in construction.

However, Aberdeen remains exposed to significant revenue risk in operation phase. As a prominent civic project, its success is likely to be scrutinised, and therefore bears significant political and reputational risk for the council. The council is also liable for the revenue risk of the hotels, and - to some extent - TECA itself although it receives an annual rent from the operator. We also view the TECA development and Aberdeen's borrowing to finance it as demonstrating the council's higher risk appetite than a typical local authority, although the project is intended to boost Aberdeen's long-term economic performance.

### Extraordinary support considerations

We consider Aberdeen to have a high likelihood of extraordinary support from the UK government, reflecting our assessment of the reputation risk to the state were a local government's financing to fail within such a tightly designed and monitored system, in addition to the Public Works Loan Board's stated intention to act as a lender of last resort.

## ESG considerations

### How environmental, social and governance risks inform our credit analysis of Aberdeen City Council

Moody's takes account of the impact of environmental (E), social (S) and governance (G) factors when assessing sub-sovereign issuers' economic and financial strength. In the case of Aberdeen City Council, the materiality of ESG to its credit profile is as follows:

Environmental considerations are not material to Aberdeen's credit profile. In line with the rest of the UK, its main exposures relate to water shortages and flood risk. Tidal and fluvial flooding are the most frequent extreme weather events. Flood risk is managed through partnerships between central government departments, other public bodies and the county council. Some of the financial burden for implementing and maintaining adequate flood defences will be borne by Aberdeen, however we do not consider this to be a material level of expenditure in relation to its financial performance or balance sheet position.

Social considerations are material to Aberdeen's credit profile. Although the economy is relatively richer than the national average, it has a more concentrated economy with extractive industries and their supply chains constituting a high proportion of GVA and employment.

Governance considerations are material to Aberdeen's credit profile. Aberdeen's standards of governance are high, aligned with the general standards of governance for all UK local authorities. Governance surrounding capital finance is detailed by the sector's Prudential Code, which is designed to ensure capital plans are affordable, prudent and sustainable. Data transparency is very high, with all material spending decisions published on its website, along with budgets, capital plans, policies, and accounts.

Further details are provided in the "Baseline credit assessment" section above. Our approach to ESG is explained in our cross-sector methodology [General Principles for Assessing ESG Risks](#).

### Rating methodology and scorecard factors

The assigned BCA of a2 is the same as the scorecard-indicated BCA. The matrix-generated BCA of a2 reflects (1) an Idiosyncratic Risk score of 4 (presented below) on a scale of 1 to 9, where 1 represents the strongest relative credit quality and 9 the weakest; and (2) a Systemic Risk score of Aa2, as reflected by the sovereign bond rating for the UK.

For details about our rating approach, please refer to our [Regional and Local Governments](#) rating methodology, published 16 January 2018.

Exhibit 3

**Aberdeen City Council**  
31 March 2019

Baseline Credit Assessment	Score	Value	Sub-factor Weighting	Sub- factor Total	Factor Weighting	Total
<b>Scorecard</b>						
<b>Factor 1: Economic Fundamentals</b>						
Economic strength	1	147.93	70%	2.20	20%	0.44
Economic volatility	5		30%			
<b>Factor 2: Institutional Framework</b>						
Legislative background	1		50%	3.00	20%	0.60
Financial flexibility	5		50%			
<b>Factor 3: Financial Performance and Debt Profile</b>						
Gross operating balance / operating revenues (%)	5	3.97	12.5%	3.50	30%	1.05
Interest payments / operating revenues (%)	5	4.74	12.5%			
Liquidity	1		25%			
Net direct and indirect debt / operating revenues (%)	7	127.47	25%			
Short-term direct debt / total direct debt (%)	1	7.71	25%			
<b>Factor 4: Governance and Management - MAX</b>						
Risk controls and financial management	1			5.00	30%	1.50
Investment and debt management	5					
Transparency and disclosure	1					
<b>Idiosyncratic Risk Assessment</b>						3.59(4)
<b>Systemic Risk Assessment</b>						Aa2
<b>Suggested BCA</b>						a2

Source: Issuer, Moody's Investors Service

## Ratings

Exhibit 4

Category	Moody's Rating
<b>ABERDEEN CITY COUNCIL</b>	
Outlook	Negative
Issuer Rating -Dom Curr	Aa3
Senior Unsecured -Dom Curr	Aa3

Source: Moody's Investors Service

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REPORT NUMBER 1205374

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## ABERDEEN CITY COUNCIL

<b>COMMITTEE</b>	City Growth and Resources
<b>DATE</b>	6 <sup>th</sup> February 2020
<b>EXEMPT</b>	No
<b>CONFIDENTIAL</b>	No
<b>REPORT TITLE</b>	Employability Pipeline
<b>REPORT NUMBER</b>	PLA/20/022
<b>DIRECTOR</b>	N/A
<b>CHIEF OFFICER</b>	Richard Sweetnam
<b>REPORT AUTHOR</b>	Stuart Bews
<b>TERMS OF REFERENCE</b>	1.2.3 Take such action as necessary to ensure that the Council's budget is always balanced

### 1. PURPOSE OF REPORT

- 1.1 To seek approval from members to reject the offer of grant for phase 2 of the employability pipeline project from the European Social Fund, due to the Fund currently being suspended by the European Commission.

### 2. RECOMMENDATION(S)

That the Committee:-

- 2.1 Approves the withdrawal the application to the European Social Fund for grant funding made in May 2018 relating to phase 2 of the Employability Pipeline Project;
- 2.2 Instructs the Chief Executive to inform the Managing Authority of the European Social Fund of this decision in writing; and
- 2.3 Instructs the Chief Officer - City Growth, to seek to identify alternative sources of funding to support employability activity in Aberdeen.

### 3. BACKGROUND

- 3.1 Aberdeen City Council has been leading the delivery of the Progress through Positive Partnerships project, aimed at supporting people with multiple and complex needs into positive employment and training participation, since early 2017. The project is intended to be part-funded (40%) by the European Union through a European Social Fund (ESF). Each local authority in Scotland was allocated a proportionate allocation of the fund, depending on

population levels. The project and associated resource commitments were originally approved by Communities, Housing and Infrastructure Committee on 25<sup>th</sup> August 2016 (CHI/16/154), to cover what is known as Phase 1 period.

- 3.2 The initial Phase 1 project period was scheduled to conclude at the end of 2018. Committee noted in November 2018 (PLA/18/263) that the Council intended to enter into a further European Social Fund grant agreement with Scottish Government (The Managing Authority) to extend the delivery of the project until December 2022.
- 3.3 The application for additional grant funding was conditionally approved by the Managing Authority. The attached condition was that Aberdeen City Council should submit a financial claim for delivery costs first.
- 3.4 Officers were compiling the required information for this claim when the Managing Authority announced that the national programme was to enter a period of “pre-suspension” of funding as a result of the European Commission auditors having identified a number of anomalies with the Managing Authority and how they had managed the programme.
- 3.5 Officers requested further information from the Managing Authority about the audit report and were advised that this information was not being shared and that auditors had requested confidentiality.
- 3.6 The Managing Authority provided a response to the auditors, nevertheless the programme was moved into full “suspended” status. The impact of this is that claims cannot be processed by the Managing Authority for the European Social Fund programme, so Aberdeen City Council’s claim cannot be submitted.
- 3.7 CoSLA, SLAED and SOLACE have all raised their concerns about the ongoing suspension, timescales and funding implications to the Managing Authority.
- 3.8 It is not known how long the suspension will be in place for, nor how complex the issues are to resolve. It is widely agreed by officers that in order to move out of “suspended” status, further changes to the national rules, which are already complex and burdensome, will be required. As such, it is expected that officers are at least six months away from being in a position to receive a formal offer of grant and have a full understanding of the revised national rules of expenditure and the potential impact of these on delivery. In the meantime, local authorities are expected to continue to deliver programmes with no guarantee of funding or of what the retrospective rule changes will be.

#### **4. IMPLICATIONS**

- 4.1 The European Social Fund programme is time-bound and must end on 31 December 2022. Assuming a best-case scenario of six months before the suspension may be lifted, enabling the formal offer of grant to Aberdeen City Council to be issued, the procurement processes to contract delivery partners could leave as little as a year or less to deliver activity.

- 4.2 Officers experience of the European Social Fund to date has highlighted the following key points:
- The administrative requirements are unduly complex in comparison to the support being offered, and the requirement to comply with the rules has a negative impact on the resource available to support individuals.
  - The level of evidence required to prove that an individual is eligible for support is not felt to offer value for money. Many of the individuals concerned are vulnerable or do not possess the required documentation. As a result they cannot be included in the project as they will be classed as ineligible and funding rejected.
  - The match-funding and reporting requirements make the funding unattractive to training providers, resulting in difficulties in procuring appropriate services for participants.
- 4.3 These issues are not isolated to Aberdeen. Angus Council opted not accept any European Social Fund monies from the original Phase 1 offer in 2016. Aberdeenshire Council withdrew from the European Social Fund project in late 2019. It is understood by officers that several other Scottish local authorities are considering withdrawing their Phase 2 applications for funding.
- 4.4 A new employability strategy, No One Left Behind, has been introduced by the Scottish Government. It is anticipated that a number of changes will be made to the way in which employability support services are funded and delivered over a number of years, with increased requirements on local authorities to manage employability services using Scottish Government funding.
- 4.5 The initial change, introduced this financial year, has seen funding for Activity Agreements – employability support for 16-19-year-olds – and Scotland’s Employer Recruitment Incentive (SERI) merged into a new scheme which can be used to provide employability support activity for anyone of working age who is not in employment, education or training and who meets specified barrier to employment, thus opening up the funding. Those furthest from the labour market are the priority for this funding.
- 4.6 This is not additional funding, but rather a different way of using monies annually granted to local authorities to enable more people to access it. No One Left Behind funding can be used as match-funding for European Social Fund activity, but could only be used in this way to support those who meet the stringent ESF criteria and provide evidence of their eligibility.

#### **4. FINANCIAL IMPLICATIONS**

- 4.1 Withdrawing from Phase 2 would result in a loss of grant funding to Aberdeen City Council of up to £771,546, however, officers can offer no assurance that these Phase 2 monies would not also result in suspended grant claim status like Phase 1. Should this happen, the Council would have to cash-flow the project in full until such time as grant funding was released, with uncertainty around this ever being received. Officers are also aware that changes will be

made to the National Rules of Expenditure and these will be applied by the Managing Authority retrospectively. This causes a significant concern because without knowledge of the rules, officers cannot ensure compliance with the rules. Failure to comply with the rules can result in a financial penalty.

- 4.2 The grant funding is offered at a 40% intervention rate. Should Members decide that Phase 2 should proceed and be delivered, the required match funding, totalling £1,157,319, would come from Aberdeen City Council staff time, and third sector delivery bodies, should any be willing to participate in the project based upon the audit, rules and match-funding requirements.
- 4.3 Aberdeen's No One Left Behind allocation for 2019/20 is £221,339, including staff costs, and officers anticipate a similar grant agreement for the coming year. There is no match-funding requirement for these funds, however it could potentially be used as match-funding to attract funding from other bodies, and increase the overall funding pool for employability initiatives.

## 5. LEGAL IMPLICATIONS

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

## 6. MANAGEMENT OF RISK

Category	Risk	Low (L) Medium (M) High (H)	Mitigation
Financial	ESF funding will no longer be available to support employability activity  If ACC enters into a grant agreement, and fails to satisfy the retrospectively applied rules, ACC could have a financial penalty imposed for non-compliance	H	Identify and secure alternative sources of funding  Withdraw the application for funding
Legal	N/A		
Employee	N/A		

<b>Customer</b>	ESF funding will no longer be available to support employability activity	H	Identify and secure alternative sources of funding
<b>Environment</b>	N/A		
<b>Technology</b>	N/A		
<b>Reputational</b>	Withdrawing the application may have negative public perception and may attract negative media attention.	M	Identify alternative sources of funding which enable delivery of the Council priorities.  Ensure that alternative provision is made available to project clients, to ensure continuity of support.

## 7. OUTCOMES

<b>Local Outcome Improvement Plan Themes</b>	
	<b>Impact of Report</b>
<b>Prosperous Economy</b>	SO1: 10% increase in employment across priority and volume growth sectors by 2022. The European Social Fund has criteria which dictates when an individual becomes eligible for support. This often prevents us from working with individuals who are not yet eligible, or unable to prove they are eligible per the European Social Fund rules.
<b>Prosperous People</b>	SO1: 10% increase in employment across priority and volume growth sectors by 2022. The European Social Fund imposes restrictive criteria to determine if an individual can receive support. Those requirements make it more difficult to support people and achieve desired outcomes.
<b>Prosperous Place</b>	SO1: 10% increase in employment across priority and volume growth sectors by 2022. The European Social Fund aims to support people and places. However, the restrictive nature of the funding eligibility criteria in practice make it challenging to achieve the desired results.

<b>Design Principles of Target Operating Model</b>	
	<b>Impact of Report</b>
<b>Customer Service Design</b>	Prevention and early intervention – The project funding rules restrict ACC to supporting only “eligible” individuals. In many cases this means an individual must have been out of work for at least 12 months before they can receive support. This prevents early intervention work and the fund does not help us implement this principle.
<b>Organisational Design</b>	Outcome led – The funding rules focus on evidence, both of an individual being eligible to receive support and having then received that support. This deters focus from supporting the individual and delivering positive outcomes based on their needs.
<b>Governance</b>	Informed – The report lays out the implications of the recommendation, to enable elected members to make an informed decision.
<b>Workforce</b>	Flexible & Agile – the rules of the European Social Fund are neither flexible nor agile. Rejecting the offer of grant will allow Aberdeen City Council staff to be more flexible in their approach to employability by removing the burden of the funding rules.
<b>Process Design</b>	Make it simple and intuitive – The Employability Pipeline works with a range of third sector partners delivering services. The feedback received is that the process to provide the required evidence is challenging, burdensome, and not only detracts from the delivery of outcomes but also in some cases deters potential participants from signing up. We should look to improve this by removing the burden of the rules to enable customer-friendly access to employability support.
<b>Technology</b>	The proposals in this report have no impact on technology.
<b>Partnerships and Alliances</b>	Complementarity of purpose and value added – in order to add value, we must find ways of working with our partners to enable them to see a positive impact from the joint working. This has not been the case from European Social Fund projects to date.

## 8. IMPACT ASSESSMENTS

Assessment	Outcome
Equality & Human Rights Impact Assessment	Required and completed
Data Protection Impact Assessment	Not required
Duty of Due Regard / Fairer Scotland Duty	Not applicable

## 9. BACKGROUND PAPERS

CHI/16/154 – *European Social Fund, Employability Pipeline* – report to Communities, Housing and Infrastructure Committee, 25 August 2016, published.

PLA/18/263 – *Extending Employability Provision* – report to City Growth and Resources, 27<sup>th</sup> November 2018, published.

## 10. REPORT AUTHOR CONTACT DETAILS

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## ABERDEEN CITY COUNCIL

<b>COMMITTEE</b>	City Growth & Resources
<b>DATE</b>	6 <sup>th</sup> February 2020
<b>EXEMPT</b>	Not exempt: Covering Report and Appendix 1 – Workplan, Summary of business cases  Exempt: Yes – Appendix 2. Paragraph 8 - The report refers to the amount of any expenditure proposed to be incurred by the authority under any particular contract for the acquisition of property or the supply of goods or services <b>provided</b> that disclosure to the public of the amount there referred to would be likely to give an advantage to a person or organisation entering, or seeking to enter, a contract with the Council.
<b>CONFIDENTIAL</b>	No
<b>REPORT TITLE</b>	Workplans and Business Cases - Capital
<b>REPORT NUMBER</b>	COM/20/048
<b>DIRECTOR</b>	Rob Polkinghorne
<b>CHIEF OFFICER</b>	Craig Innes
<b>REPORT AUTHOR</b>	Craig Innes
<b>TERMS OF REFERENCE</b>	Purpose 2

### 1. PURPOSE OF REPORT

- 1.1 The purpose of this report is to present a procurement workplan where capital expenditure is included for the Operations Functions to Committee for review and to seek approval of the total estimated capital expenditure for the proposed contract as contained in the Procurement Business Case(s) appended to the report.

### 2. RECOMMENDATION(S)

It is recommended that the Committee: -

- 2.1 reviews the workplan for the Operations Function as detailed in the Appendices;
- 2.2 where a Business Case has been submitted, approves the total estimated capital expenditure for the proposed contract and delegates authority to the Head of Commercial & Procurement Services following consultation with the relevant Chief Officer to procure appropriate works and services, and enter into any contracts relating thereto; and

- 2.3 notes that Business Cases for procurements exercises to be commenced after 6<sup>th</sup> February 2020 will be submitted on a phased basis to future meetings of the City Growth and Resources Committee.

### **3. BACKGROUND**

- 3.1 The ACC Procurement Regulations 2019 were reviewed and approved by Council on 4 March 2019. The key update was in relation to the approval routing for Procurement Business Cases which include spend from Capital budgets. If we wish to tender in relation to:
- Capital budget only, or
  - Capital with revenue implications, then the estimated expenditure must be approved by City Growth and Resources Committee;
  - Capital and revenue from the same contract, then the estimated capital expenditure must be approved by City Growth and Resources Committee; and the estimated revenue by Strategic Commissioning Committee.
- 3.2 The ACC Procurement Regulations 2019 requires that authority to incur expenditure has to be approved prior to any invitation to tender or contract entered into. The method of authorising depends upon the contract value, with contracts above £50,000 (supplies/services) or £250,000 (works) requiring to be listed on a workplan with an associated Procurement Business Case and submitted by the relevant Chief Officer to the Strategic Commissioning Committee (Revenue budget only), and or to City Growth and Resources Committee (Capital, as per 3.1 above). The approval of the applicable Committee is required prior to the procurement being undertaken.
- 3.3 There are no workplans for the Governance, Place, Customer and Commissioning Functions this cycle.

### **4. FINANCIAL IMPLICATIONS**

- 4.1 The indicative value of each proposed contract is shown within the respective workplan in the Appendices. The ability to have an overview of contract expenditure is aligned to Core Outcomes of the LOIP and the whole systems commissioning cycle approach. The refreshed approach to governance ensures that all contracts are aligned to the approved budget provision for each financial year with controls in place for flexibility if required. This also assists the Council in meeting its statutory duty to keep a Contracts Register.

### **5. LEGAL IMPLICATIONS**

- 5.1 All contracts shall be procured in accordance with procurement legislation and the Commercial Legal Team within C&PS shall provide legal advice where necessary.

## 6. MANAGEMENT OF RISK

	Risk	Low (L), Medium (M), High (H)	Mitigation
<b>Financial</b>	Escalation of costs  Unable to control demand  Differing market conditions depending on commodity/service	L  M  M	A strong focus on value for money in all commissioning activities. Ongoing focus on demand reduction strategies. Use of Business Intelligence to help predict market changes and trends.
<b>Legal</b>	Failure to comply with procurement and other legislation.  Failure to comply with the terms of the grant agreements	L  L	Engagement with Commercial Legal Team within the Commissioning Function.  Service aware of the terms of grant agreements and plans are in place to ensure compliance with terms
<b>Employee</b>	Insufficient information provided by officers and lack of resources.  Insufficient commissioning skills across the organisation.	M  M	Workplan shall allow for the proportionate allocation of resource depending on the risks and business criticality of each contract. Workforce development and training plan will be put in place across the Council.
<b>Customer</b>	New approach to customer services	M	Involving Customers in the re-design of provision.
<b>Environment</b>	Failure to consider sustainable options.	L	Ensure all contracts take into account environmental considerations.
<b>Technology</b>	New technology is not embraced in full.	L	Market research undertaken by Commissioning officers and support and advice from the Council's Digital Partner.
<b>Reputational</b>	Lack of understanding or appreciation of the new process of workplans and business cases.	L	Engagement sessions with all Council Functions to ensure an understanding of the benefits of forward-

			planning and the value that strategic commissioning brings to the delivery of outcomes.
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## 7. OUTCOMES

- 7.1 All outcomes of the Local Outcome Improvement Plan will be considered as part of the development of new contract specifications and specifications will align to any related outcomes.

<b>Design Principles of Target Operating Model</b>	
	<b>Impact of Report</b>
<b>Customer Service Design</b>	Commissioning will work with Customer services on the design and monitoring of impact.
<b>Organisational Design</b>	Enabling a strategic commissioning approach is a key aspect of the future organisational design.
<b>Governance</b>	There will be close working between the City Growth and Resources and the Strategic Commissioning Committees and any relevant governance arrangements. The submission of the workplan complies with the requirements of the Council's Procurement Regulations.
<b>Workforce</b>	A key aspect of developing this approach will be the development and involvement of key staff within the commissioning cycle of all contracts.
<b>Process Design</b>	Co-design of future provision and the development of outcome-based specifications will be an important aspect of delivering best value.
<b>Technology</b>	The use of technology will be important particularly regarding analysis of data and performance.
<b>Partnerships and Alliances</b>	As part of contract design, partnership working will be embedded in the approach.

## 8. IMPACT ASSESSMENTS

<b>Assessment</b>	<b>Outcome</b>
<b>Equality &amp; Human Rights Impact Assessment</b>	Not required for this report
<b>Data Protection Impact Assessment</b>	Not required for this report

<b>Duty of Due Regard / Fairer Scotland Duty</b>	Not applicable
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**9. BACKGROUND PAPERS**

None.

**10. APPENDICES – workplans and referenced Business Cases**

Appendix 1 - Operations Workplan

Appendix 2 - Operations Workplan (Exempt)

**11. REPORT AUTHOR CONTACT DETAILS**

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Operations Procurement Work Plan	Committee: City Growth & Resources	Date of Committee: 06 February 2020
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Reference	Service	Team	Description of Requirement	Type of Budget	Estimated Start date of Contract or Extension	Estimated End date of Contract (Excluding extension)	Maximum Extension Period (months)	Estimated End date of Contract (Including extension)	Summary
OPS076	Operations and Protective Services	Environmental Services	Memorial Stone Stablisation	Revenue	01/04/2020	31/03/2023	12	31/03/2024	Contract for the provision of works to make safe unstable memorial headstones within Aberdeen City Council cemeteries

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## ABERDEEN CITY COUNCIL

<b>COMMITTEE</b>	City Growth and Resources
<b>DATE</b>	6 February 2020
<b>EXEMPT</b>	No
<b>CONFIDENTIAL</b>	No
<b>REPORT TITLE</b>	Council Financial Performance – Quarter 3, 2019/20
<b>REPORT NUMBER</b>	RES/20/032
<b>DIRECTOR</b>	Steven Whyte
<b>CHIEF OFFICER</b>	Jonathan Belford
<b>REPORT AUTHOR</b>	Lesley Fullerton
<b>TERMS OF REFERENCE</b>	1.2

### 1. PURPOSE OF REPORT

- 1.1 To provide the financial position of the Council as at Quarter 3 (31 December 2019) and the full year forecast position for the financial year 2019/20, including:
- General Fund and Housing Revenue Account (HRA) and capital accounts; and associated Balance Sheet; and
  - Common Good Revenue Account and Balance Sheet.

### 2. RECOMMENDATIONS

That the Committee: -

- 2.1 note the positive cash position that has been achieved for the General Fund and HRA to the end of Quarter 3 as detailed in Appendix 1;
- 2.2 note the Common Good financial performance to the end of Quarter 3 as detailed in Appendix 3;
- 2.3 note that the revenue budgets for the General Fund, HRA and Common Good are on target to achieve a balanced position for 2019/20 as detailed in Appendix 2;
- 2.4 note that the capital expenditure for the General Fund will be lower than budgeted, which will result in project budgets being carried forward into 2020/21; and for the Housing Capital programme the estimate remains that the budgeted funding requirements will be achieved, as detailed in Appendix 2; and
- 2.5 approve the budget virements for Housing Capital as detailed in Appendix 2.

### **3. BACKGROUND**

- 3.1 This report focuses on both the financial performance for the year to 31 December 2019 and the forecast financial position for the full year for the Council's General Fund, Housing Revenue Account and Common Good.
- 3.2 The performance for the year to date has remained positive with net expenditure largely in line with budget for this stage of the year and core funding ahead of budget targets for the third quarter.
- 3.3 The forecast to the end of the year, where a balanced position is expected, the General Fund revenue forecast takes account of several key assumptions, including:
- a lowering of staff costs through continued control of staffing vacancies and turnover, and using where appropriate the voluntary schemes the Council has in place;
  - no change in demand for out of authority placements for children;
  - achievement of income targets from a range of new and increased fees and charges that will only be realised across the whole of the year; and
  - a continuing strong emphasis on managing costs.
- 3.4 The Integration Joint Board is forecasting a balanced position as at Quarter 3, however there remains the risk that the demand pressures, particularly with the costs of commissioning for care packages, will affect the position and have an impact on the Council in 2019/20.
- 3.5 The Council retains a contingency budget to address unexpected and unplanned expenditure which could arise as a result of the identified contingent liabilities coming to fruition or from risks included on the corporate and operational risks registers. The CMT and senior management teams routinely review the risk registers, and the Chief Officer - Finance tracks the contingent liabilities. Due to the proximity of the 31 January date for the UK leaving the EU, particular attention has recently been given to the potential implications. No specific financial implications have been included in the Quarter 3 position or projected outturn for the year.
- 3.6 For the General Fund Capital programme it is a significant year, when major projects are due to be completed and will become operational. The financial impact of the Capital Programme on the revenue budget has been fully incorporated into the budgets. A prudent approach has been taken with regard to the financial benefit that will be generated by The Event Complex Aberdeen (TECA), as information is currently under review to evaluate the benefit to be achieved.
- 3.7 The Capital Programme is lower than budget primarily due to the timing of expenditure, which has reduced the requirement for borrowing during the financial year. Project progress is monitored through the Capital Programme Committee.

- 3.8 The Housing Revenue Account is forecasting to be on budget and the associated Housing Capital Programme has incorporated the first of the new build housing projects, at Wellheads, Dyce and Summerhill development. These additional homes are generating a new income stream to fund the investment and satisfy a demand for housing.
- 3.9 The Common Good budget is also on track to deliver to budget. The decision taken by Council in August 2017, to provide funding from the Common Good to support the redevelopment of the Aberdeen Science Centre is also expected to be drawn down during this financial year. The Council expects cash balances to be in line with expectations as at 31 March 2020.
- 3.10 Summary of Appendices

1. The financial statements reflect the income and expenditure of the General Fund and Housing accounts for the period to 31 December 2019 and, where the impact of statutory accounting adjustments can be calculated, these have been reflected in the financial statements as required by International Financial Reporting Standards (IFRS). The position at 31 December 2019 is positive as expenditure is broadly in line with budget and income is ahead of budget, due to the profile of income from Scottish Government and positive Council Tax collection levels.

The Balance Sheet figures at 31 December 2019 shows the positive impact of the Council's cash position and an overall increase in net worth of the Council to £1.4 billion. The figures shown include statutory adjustments where these have been made, and where this is not possible the figure as at 31 March 2019 has been used.

2. This provides an overview of the forecast outturns for revenue and capital across the General Fund, Housing Revenue Account and Common Good. These financial statements provide a comprehensive summary of where the Council expects to be at the end of the financial year. These initial forecasts indicate that all revenue accounts are expected to be on budget, with the General Fund continuing to experience cost pressures while managing these across the whole portfolio of services. Capital investment is forecast to be in excess of £200 million for the year, which will be funded by a mixture of Scottish Government Capital Grants, contributions from other partners and borrowing, as well as a substantial contribution from revenue to support the Housing Capital programme.
3. This presents the Common Good position as at 31 December 2019 and provides an overview that shows net expenditure in line with budget for the period.
4. This provides information on the Group Entities. The forecast for the year indicates that there are no material areas of concern in relation to these entities for 2019/20.

#### 4. FINANCIAL IMPLICATIONS

4.1 The full year financial position is provided in Appendix 2 to this report and the revenue positions are summarised below:

<b>Revenue</b>	<b>2019/20 Budget £'000</b>	<b>2019/20 Forecast (Surplus) Deficit exc. Group £'000</b>	<b>Variance (Under) / Over Budget £'000</b>
General Fund	0	0	0
HRA	(500)	(500)	0
Common Good	2,781	2,781	0

4.2 The capital position can be summarised as follows:

<b>Capital</b>	<b>2019/20 Budget £'000</b>	<b>2019/20 Forecast Expenditure £'000</b>	<b>Variance (Under) / Over Budget £'000</b>
General Fund	258,585	189,818	(68,767)
HRA	46,760	46,760	0

4.3 Details of key variances for the capital budgets can be found in Appendix 2.

4.4 Appendix 1 includes a Management Commentary providing information on the 2019/20 financial position, including details of the movement between Reserves.

4.5 The usable reserves have moved as follows:

<b>Usable Reserves</b>	<b>Balance at 31 March 2019 £'000</b>	<b>Balance at 30 December 2019 £'000</b>	<b>Movement £'000</b>
General Fund	(35,054)	(110,780)	(75,726)
HRA	(12,308)	(12,308)	0
Statutory & Other	(11,307)	(11,716)	(409)
<b>Total</b>	<b>(58,669)</b>	<b>(134,806)</b>	<b>(76,137)</b>

4.6 The increase in the General Fund is due to the positive cash position that the Council is in at the end of the third quarter. The income received is greater than expenditure incurred and is due to the timing of Scottish Government Grant and total collection of Council Tax. The surplus at 31 December 2019 is recorded as an increase in Usable Reserves and is used to fund budgeted expenditure later in the year.

## 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 London Stock Exchange listing, for example the requirement to notify them ahead of publication of the report.

## 6. MANAGEMENT OF RISK

	Risk.	Low (L), Medium (M), High (H)	Mitigation
<b>Financial</b>	The main financial risk the Council is managing is the increased demand on services.	M	Reviewing all areas of expenditure with a view to only incurring essential expenditure.
	In relation to capital projects there is a risk that following the procurement process tendered costs will vary from that assumed at the time of project approval.	M	Quantification and review of indicative projects costs by suitable qualified staff or external body, where appropriate
<b>Legal</b>	Where actions that impact on the statutory duties of the Council are chosen then there is a risk that the Council will not meet its statutory obligations.	L	Prior to action being taken there would require to be an assessment of the legal implications.
	The potential for identified contingent liabilities to escalate during the year may lead to additional costs that have to be met.	M	Regular review of contingent liabilities by the CFO in conjunction with legal colleagues aims to identify changes and emerging issues.
<b>Employee</b>	There is a risk that changes to budgeted expenditure levels and fiscal restraint will impact on the number of employees working in the Council.	M	Impact assessments can be carried out to identify impact of fewer staff and active management of tasks, including prioritisation and a focus on productivity
<b>Customer</b>	There is a risk that changes to budgeted expenditure levels and fiscal restraint will impact	M	Prioritisation, a focus on productivity and active management of services using the TOM principles to minimise effects.

	on the customer experience.		
<b>Environment</b>	None identified		
<b>Technology</b>	There is a risk that efficiency benefits will not be achieved through digital solutions.	L	The Council has modelled and used industry standards to understand the potential for efficiency gains in the organisation. Effective implementation and adoption at a programme and activity level will mitigate the risks.
<b>Reputational</b>	There is a risk that through the reduction of expenditure the Council may be criticised that spending isn't in line with public expectation of service delivery.	M	The Council has continued to address priority spending areas, and to protect people. It is equally accountable for the use of public funds and to ensure that they are managed robustly. There are a wide range of unknown external factors that require to be balanced to deal with the current operating environment. Regular reporting during the year provides an ongoing description of the position the Council is in and the situations it faces.

## 7. OUTCOMES

<b>Local Outcome Improvement Plan Themes</b>	
	<b>Impact of Report</b>
<b>Prosperous Economy</b>	The Council continues to invest in front-line services across its statutory responsibilities as well as capital infrastructure. Investment in the city will have a positive impact on the economy.
<b>Prosperous People</b>	Robust and effective management of the Council's finances will ensure that services can continue to be provided.
<b>Prosperous Place</b>	Investment will enhance the place by creating a better and more vibrant city in which to live.

This report does not impact on the design principles of the Target Operating Model.

## 8. IMPACT ASSESSMENTS

Assessment	Outcome
Equality & Human Rights Impact Assessment	Not required
Data Protection Impact Assessment	Not required
Duty of Due Regard / Fairer Scotland Duty	Not applicable

## 9. BACKGROUND PAPERS

None.

## 10. APPENDICES

Appendix 1 – Financial Statement for the period ending 31 December 2019

Appendix 2 – Forecast Financial Position for the year 2019/20

Appendix 3 – Common Good Financial Statement for the period ending 31 December 2019

Appendix 4 – Group Entities Forecast Financial Position for the year 2019/20

## 11. REPORT AUTHOR CONTACT DETAILS

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**FINANCIAL STATEMENT  
FOR THE PERIOD ENDING  
31 DECEMBER 2019**

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## Management Commentary

The purpose of the management commentary is to inform readers, helping them to assess how the Council is performing and understand our financial performance for the quarter to 31 December 2019.

It also provides an insight into the expected financial performance for the remainder of the financial year 2019/20, the challenges we face and how we will address these challenges to provide stability, financially, thus allowing our citizens to have confidence that we can continue to provide the diverse portfolio of services on which they rely.

## Background

The Council must comply with a wide range of legislation and regulation in the course of its work. Since 2016/17 the issue of bonds on the London Stock Exchange (LSE) has placed an increased level of regulation around council finances in particular. Maintaining a credit rating, annually assessed and compliance with the reporting and disclosure requirements of the LSE means an extra level of scrutiny is placed on the Council.

Moody's (the credit rating agency) published their latest credit rating assessment of the Council in December 2019, maintaining a rating of 'Aa3', and reflecting the UK Outlook as 'negative', a change from the previous year but in line with the UK Sovereign rating. (The full credit rating assessment is included elsewhere on the Committee agenda).

The Council received an unqualified audit opinion for 2018/19 from KPMG, independent external auditor and the outturn position achieved as at 31 March 2019 was in line with forecasts. This placed the Council in a strong place to move into 2019/20 and tackle the financial pressures that it faces.

As at 1 April 2019 the Council held Usable Reserves of £59 million and had a Net Asset Value of £1.3 billion.

The Council set its 2019/20 budgets on 5 March 2019, approving for the General Fund a range of budget savings options and increasing Council Tax rates by 4.5% to set a balanced budget for the year.

The General Fund budget took account of a range of pay and price inflation pressures, in particular an increased pay award for both 2018/19 and 2019/20 than had been forecast previously. A net increase in the cost of debt reflected the significant investment there has been in recent years in city infrastructure was calculated. There were conditions attached to the Scottish Government financial settlement in relation to funding for Community Health and Social Care and to support maintaining teacher numbers across Scotland. Demand and emerging pressures from out of authority placements and fostering and kinship care were also incorporated.

Since the budget was approved there have continued to be changes to the financial environment. The teachers pay award (backdated to April 2018) was agreed on a three year deal with an additional 4% increase applicable from April 2019. Additional funding has been confirmed by the Scottish Government to fund this in 2019/20 and then again in 2020/21.

Teachers' employers pension contributions were due to rise by over 20% in April 2019 however this has been revised and will be implemented from September 2019, the additional cost is only partially funded by additional grant from UK and Scottish Government.

The Housing Revenue Account budget was based on a 4.3% increase in rents from 29 April 2019, which was in line with the Council rent policy. During 2019/20 the Council is consulting on a fixed term rent policy to be effective from April 2020.

## **Our Financial Performance : General Fund**

### **• Performance in Quarter 3**

In March 2019, the Council set its General Fund and Housing Revenue Account (HRA) revenue and capital budgets for the financial year 2019/20. Performance for the year is measured against these budgets with the projected full year position considered in Appendix 2 of this report. This section focuses on the actual financial results for the period 1 April to 31 December 2019, presented in the format of our Annual Accounts on pages 8 to 18.

The Expenditure and Funding Analysis, below, provides details of the net expenditure or income position for each service based on actual transactions for the period and the statutory accounting adjustments processed to date.

#### 1. Operations

At 70.24% against the full year budget, the services net expenditure for the year to date is slightly under budget. This is mainly due to funding (for example Early Years expansion grant) being received for which costs will be incurred later in the year. Fees and charges income levels are lower than expected as at the end of December and reflect invoices being raised in arrears for internal and external customers.

#### 2. Customer

At 80.27% against the full year budget, the function's net expenditure for the year to date is slightly ahead of budget. This is due to the timing of contracts, particularly for ICT services, which are paid at certain points in the year and will reflect the full year cost.

#### 3. Commissioning

At 94.47% against the full year budget, the function's net expenditure for the year is ahead of budget. The function is continuing to work with services to distribute the remaining procurement savings, currently held by the Commissioning function, which means that expenditure to date is greater than the net budget available.

#### 4. Resources

The function has a budget where a significant proportion of costs are recharged to other accounts of the Council and to external customers. The recharges are directly related to the progress of specific projects in the capital programme and in the normal course of the year recharging tends to be done later in the year.

## 5. Place

### City Growth.

The net expenditure for the year is over budget at 98.82%, with payment for events being spread unevenly across the year, income from European projects, including the hydrogen bus projects claim income in arrears and there is a substantial timelag between income being received and expenditure being incurred. The Q3 position reflects expenditure but limited income to offset these costs, which is still to be received.

### Strategic Place Planning

At 74.86% against full year budget, the net expenditure is in line with expectations for this time of year. Pressure exists in relation to additional spend for the period from the transport planning unit and school transportation, however income in building standards fees is ahead of the budgeted position and staff costs are lower due to vacancies.

## 6. Governance

At 75.04% against the full year budget, the services net expenditure for the year is in line with expectations. Higher expenditure levels reflect costs of the European elections in May and by-elections, which are offset by income that has been received in relation to these costs. Pressures exist in relation to fee income for legal services.

## 7. Integration Joint Board (IJB) / Adult Social Care.

At 77.21% against the full year budget, net expenditure on this function for the year to date is in line with expectations. However, with demand led services there are invariably cost pressures which require to be managed and in particular there are pressures evident in relation to client contributions, commissioned services, out of area placements, and for young people transitioning from children's services with support needs.

## 8. Corporate

Includes the cost of councillors, contingencies, funding to Grampian Valuation Joint Board and the repayment of capital debt. Expenditure is generally in line with budget where expenditure is being incurred, but contingency budgets are held for the purpose of being used if needed and capital debt repayments are lower than had been budgeted following the implementation of the new accounting policy.

## 10. Other Income and Expenditure

Includes interest payable and receivable, income and expenditure from trading operations (car parking, investment property and building services) and income received through council tax, non domestic rates and government grants.

At this stage Non Domestic Rates (NDR) is almost in line with expectations at 71% of budget, while income from council tax is ahead of full year budget and well placed for strong collection levels against budget this year, and income from Scottish Government is above budget, which is due to the profiling of Grant and NDR across the year. Redetermination adjustments to the General Revenue Grant will be made in the final two weeks of March 2020.

The Council receives a substantial income from the commercial tenanted non-residential property (TNRP) portfolio. The income to the TNRP portfolio is invoiced regularly but it is not in even quarters as timing depends on each individual leases. Similarly car parking income is dependent on customer usage, the Q3 results record income as it is received.

## **Our Financial Performance : Housing Revenue Account**

### **• Performance in Quarter 3**

9. Housing Revenue Account (HRA) is responsible for the provision of council housing to over 20,000 households with the most significant areas of expenditure being on repairs and maintenance and the servicing of debt incurred to fund capital investment in the housing stock. This is a ring fenced account such that its costs must be met by rental income which at this stage in the year exceeds expenditure incurred. Rental income remains a regular source of funding. The HRA is ahead of budget at Quarter 3 because of billing of repair and maintenance in arrears and also lower than budgeted capital financing costs following the implementation of the new accounting policy, approved earlier this year.

## **Our Financial Performance : Full Year Forecasts**

A comprehensive forecast of revenue and capital budget performance for the General Fund, Housing Revenue Account and the Common Good are provided in Appendix 2 to this report.

## **Conclusion**

This is the third quarterly financial performance report being presented to the Committee for consideration of the financial year 2019/20. This report aims to meet the reporting requirements for the London Stock Exchange as well as enhancing financial transparency by providing information in a manner consistent with the Council's Annual Accounts.

At the end of Quarter 3, of the £41.2 million of savings options that were approved in the budget the full value of savings has not yet been achieved, with the actual outcome of changes only becoming evident during the course of the whole year. I have assessed that over 80% of the savings have been achieved by the end of the Quarter. There are areas where cost pressure means that alternatives are having to be found to balance the budget and in general this has the impact of seeking to reduce staff costs or expenditure in other areas. One area where the Council has been able to provide certainty has been through reducing the cost of capital financing costs and this will help to offset spend levels in integrated childrens services without immediately having a detriment on other service areas.

Based on the information available the level of savings that were approved as part of the budget are generally progressing well, with the staff costs having reduced and vacancy savings confirmed that indicate 97% of the target has been achieved. It is assumed that ongoing vacancy management and turnover will further reduce the costs to meet the targets during the course of the remainder of the year.

I have assurance in the figures based on a range of actions that are being taken to mitigate the risks to the Council, including finance staff working with and advising all functions of the Council, core expenditure Control Boards, regular finance focused senior management review

meetings, CMT stewardship and effective risk management arrangements and the input of the Programme Management Office to support governance arrangements for implementing change.

From a risk management perspective, at the end of the quarter the Council has assessed that it was not necessary for any specific costs to be accounted for in relation to the impact of the UK exit from the EU. Costs that have been incurred are the opportunity costs of staff time on risk management and organisational planning undertaken during the period. Officers recognise the changing situation that exists as the 31 January deadline approaches and are closely monitoring the position through the risk management arrangements.

From a revenue perspective, during the third quarter, a great deal of work has been carried out by staff throughout the Council to ensure that expenditure and income is continually being brought in line with budget over the course of the year. It was essential that progress was made in the first half of the year to achieve much of the savings early and to avoid disproportionate savings targets being imposed later in the year when there are fewer choices that can be made. It is important to note that the savings do need to continue to be achieved across the full year and the impact will continue to be kept under close scrutiny to ensure that action is taken where necessary and to report back to the Committee on any recommendations that are needed to ensure the Council delivers best value and meets its statutory financial obligations this year.

In relation to the capital programme a wide range of projects have progressed towards completion, notably the successful opening of TECA, including P&J Live, Hilton and Aloft hotels, and expenditure has substantially been on projects already in construction, with work starting on Provost Skene's House, Union Terrace Gardens and Housing at Summerhill. Preparatory work and contract finalisation can impact on progress of other projects.

## Movement in Reserves Statement

*This statement shows the movement on the different reserves held by the Council analysed into usable reserves (those that can be applied to fund expenditure or reduce local taxation) and other reserves.*

	General Fund	Housing Revenue Account	Statutory and Other Reserves	Capital Grants Unapplied	Total Usable Reserves	Total Unusable Reserves	Total Council Reserves
	£'000	£'000	£'000		£'000	£'000	£'000
<b>Balance at 31 March 2019 brought forward</b>	<b>(35,054)</b>	<b>(12,308)</b>	<b>(10,825)</b>	<b>(482)</b>	<b>(58,669)</b>	<b>(1,230,242)</b>	<b>(1,288,911)</b>
<b>Movement in Reserves during 2019/20</b>							
Total Comprehensive Income & Expenditure	(116,979)	(18,454)	0	0	<b>(135,433)</b>	4,299	<b>(131,133)</b>
Adjustments between accounting basis & funding basis under regulations	34,347	20,650	0	0	<b>54,997</b>	(54,997)	<b>0</b>
<b>Net (Increase)/Decrease before Transfers to Earmarked Reserves</b>	<b>(82,632)</b>	<b>2,197</b>	<b>0</b>		<b>(80,436)</b>	<b>(50,698)</b>	<b>(131,133)</b>
Transfers to/from Earmarked Reserves	6,905	(2,197)	(409)	0	<b>4,299</b>	(4,299)	<b>(0)</b>
<b>(Increase)/Decrease in Year</b>	<b>(75,726)</b>	<b>0</b>	<b>(409)</b>	<b>0</b>	<b>(76,137)</b>	<b>(54,997)</b>	<b>(131,133)</b>
<b>Balance at 31 December 2019</b>	<b>(110,780)</b>	<b>(12,308)</b>	<b>(11,234)</b>	<b>(482)</b>	<b>(134,806)</b>	<b>(1,285,239)</b>	<b>(1,420,044)</b>



## Expenditure and Funding Analysis

*The Expenditure and Funding Analysis shows how the net expenditure or income is allocated for decision making purposes between the Council's services. Income and expenditure accounted for under generally accepted accounting practices is presented more fully in the Comprehensive Income and Expenditure Statement.*

Quarter 3, 2019/20				
Services	Net Expenditure chargeable to General Fund & Housing Revenue Account	Adjustments between funding & Accounting basis	Net Expenditure in the CIES £'000	Notes
	£'000	£'000	£'000	
Operations	188,585	(13,174)	175,411	1
Customer	28,822	0	28,822	2
Commissioning	5,999	0	5,999	3
Resources	5,062	0	5,062	4
Place	15,015	0	15,015	5
Governance	2,413	0	2,413	6
Integration Joint Board	68,767	0	68,767	7
Corporate	(2,133)	(383)	(2,517)	8
<b>Net Cost of General Fund Services</b>	<b>312,530</b>	<b>(13,557)</b>	<b>298,973</b>	
Housing Revenue Account	(9,044)	(21,013)	(30,057)	9
<b>Net Cost of Services</b>	<b>303,486</b>	<b>(34,570)</b>	<b>268,916</b>	
Other Income and Expenditure	(394,670)	(20,428)	(415,097)	10
<b>(Surplus) or Deficit on Provision of Services</b>	<b>(91,183)</b>	<b>(54,997)</b>	<b>(146,181)</b>	
Opening General Fund and HRA Balance at 31 March 2019	(47,362)			
(Surplus) or Deficit on General Fund and HRA Balance in Year	(91,183)			
To/From Other Statutory Reserves	15,457			
<b>Closing General Fund and HRA Balance at 31 December 2019</b>	<b>(123,089)</b>			

## Notes

1. See page 3 for information relating to Net Expenditure chargeable to the General Fund. The £13.174m accounting adjustment relates to the removal of Annual Service Payments for the 3R's schools and Lochside Academy which for accounting purposes are required to be split into its component parts, payment for services; repayment of capital; and financing costs.
2. See page 3 for information relating to Net Expenditure chargeable to the General Fund. There are no accounting adjustments relating to this service in this quarter.
3. See page 3 for information relating to Net Expenditure chargeable to the General Fund. There are no accounting adjustments relating to this service in this quarter.
4. See page 3 for information relating to Net Expenditure chargeable to the General Fund. There are no accounting adjustments relating to this service in this quarter.

5. See page 3 for information relating to Net Expenditure chargeable to the General Fund.  
There are no accounting adjustments relating to this service in this quarter.
6. See page 3 for information relating to Net Expenditure chargeable to the General Fund.  
There are no accounting adjustments relating to this service in this quarter.
7. See page 3 for information relating to Net Expenditure chargeable to the General Fund.  
There are no accounting adjustments relating to this service in this quarter.
8. See page 3 for information relating to Net Expenditure chargeable to the General Fund. The £0.383m accounting adjustment relates to contributions to Capital from Current Revenue (CFCR).
9. See page 3 for information relating to Net Expenditure chargeable to the Housing Revenue Account. The £21.013m accounting adjustment relates to CFCR.
10. See page 4 for information relating to Net Expenditure chargeable to the General Fund.  
The £20.428m adjustment comprises the following three elements, which realign costs from other parts of the budget:
  - £8.943m is the element of the 3R's and Lochside Annual Service Payments which is reallocated as per note 1 above to bring together financing costs which flow into the Financing and Investment Income and Expenditure line in the CIES below.
  - (£0.396)m that is the allocation of the Marischal Square finance lease payment.
  - (£28.975)m that is the allocation of capital grant income which flows into the Taxation and Non Specific Grant Income line in the CIES below.

## Comprehensive Income and Expenditure Statement

*This statement shows the accounting cost in the year of providing services in accordance with International Financial Reporting Standards (IFRS).*

Services	Quarter 3, 2019/20			Notes
	Gross Expenditure	Gross Income	Net Expenditure	
	£'000	£'000	£'000	
Operations	223,238	(47,827)	175,411	
Customer	76,534	(47,712)	28,822	
Commissioning	9,769	(3,770)	5,999	
Resources	75,191	(70,130)	5,062	
Place	17,494	(2,479)	15,015	
Governance	4,146	(1,733)	2,413	
Integration Joint Board	107,880	(39,113)	68,767	
Corporate	(2,000)	(516)	(2,517)	
<b>Cost of General Fund Services</b>	<b>512,253</b>	<b>(213,280)</b>	<b>298,973</b>	
Housing Revenue Account	42,679	(72,736)	(30,057)	
<b>Cost of Services</b>	<b>554,932</b>	<b>(286,015)</b>	<b>268,916</b>	
Other Operating Expenditure			0	1
Financing and Investment Income and Expenditure	42,849	(36,160)	6,689	2
Taxation and Non Specific Grant Income	0	(421,786)	(421,786)	3
<b>(Surplus) or Deficit on Provision of Services</b>	<b>597,781</b>	<b>(743,962)</b>	<b>(146,181)</b>	
(Surplus)/deficit on revaluation of Property, Plant and Equipment assets			0	4
Impairment losses on non current assets charged to the Revaluation Reserve			0	4
(Surplus)/deficit on revaluation of available for sale financial assets			0	4
Actuarial (gains)/losses on pension losses/liabilities			0	4
Other (gains)/losses			4,299	4
<b>Other Comprehensive Income and Expenditure</b>			<b>4,299</b>	
<b>Total Comprehensive Income and Expenditure</b>			<b>(141,881)</b>	

### Notes

1. This line will be used to reflect gains or losses on the disposal of assets which take place during the year.
2. This largely reflects trading income and interest payable and receivable.
3. Income in relation to Council Tax, Non-Domestic Rates collection and Scottish Government General Revenue and Capital Grant.
4. These lines are predominantly used for statutory accounting adjustments.

## Balance Sheet

The Balance Sheet shows the value of the assets and liabilities recognised by the Council.  
The net assets of the Council are matched by the reserves held by the Council.

31 March 2019 £'000		31 December 2019 £'000	Note
2,438,882	Property, Plant & Equipment	2,599,446	1
197,691	Heritage Assets	197,691	1
145,832	Investment Property	145,832	1
17,638	Long Term Investments	17,638	2
7,592	Long Term Debtors	8,323	3
<b>2,807,636</b>	<b>Long Term Assets</b>	<b>2,968,930</b>	
70,520	Cash and Cash Equivalents	63,143	4
45,213	Short Term Investments	51,752	5
92,158	Short Term Debtors	70,720	6
1,832	Inventories	15,264	7
5,693	Assets Held for Sale	5,693	8
<b>215,417</b>	<b>Current Assets</b>	<b>206,572</b>	
(197,228)	Short Term Borrowing	(146,857)	9
(80,860)	Short Term Creditors	(71,066)	10
(5,259)	Short Term Provisions	(3,408)	11
(4,230)	PPP Short Term Liabilities	(3,057)	12
(5,607)	Accumulated Absences Account	(5,607)	13
(2,989)	Grants Receipts in Advance - Revenue	(471)	14
(13,091)	Grants Receipts in Advance - Capital	(25,747)	14
<b>(309,264)</b>	<b>Current Liabilities</b>	<b>(256,215)</b>	
(895,954)	Long Term Borrowing	(973,804)	15
(58,029)	Finance Lease	(57,602)	16
(13)	Long Term Creditors	(13)	17
(551)	Long Term Provisions	(551)	11
(138,223)	PPP Long Term Liabilities	(135,165)	12
(332,108)	Pension Liabilities	(332,108)	18
<b>(1,424,877)</b>	<b>Long Term Liabilities</b>	<b>(1,499,243)</b>	
<b>1,288,911</b>	<b>Net Assets</b>	<b>1,420,044</b>	
	Usable Reserves:		
(35,054)	General Fund Balance	(110,780)	19
(12,308)	Housing Revenue Account	(12,308)	19
(10,825)	Statutory and Other Reserves	(11,234)	19
(1,230,724)	Unusable Reserves	(1,285,721)	20
<b>(1,288,911)</b>	<b>Total Reserves</b>	<b>(1,420,044)</b>	

## Balance Sheet Notes

1. Depreciation is calculated annually and therefore no depreciation has been applied in Quarter 3. Capital expenditure to the end of Quarter 3 totaling £160.563m has been applied to Property, Plant & Equipment (this includes £127.507m of general fund expenditure and £33.056m of HRA expenditure). Disposals, revaluations and transfers have not been accounted for in Quarter 3.
2. Long Term Investments comprises the council's interest in Aberdeen Sports Village. These will be revalued and updated in Quarter 4.
3. Long term debtors reflects the movement based on transactions for the period.
4. Cash and cash equivalents include short term investments of £45.348m (because they can be called up at short notice i.e. 0 to 30 days) and developers contributions of £19.841m. See the cash flow statement for an analysis of how this is used.
5. Short term investments have been adjusted as described in note 4.
6. Short term debtors reflects the movement based on transactions for the period.
7. Inventories are adjusted at year end for inter-related account balances. This adjustment has not been made in Quarter 3 but will be included in future quarters.
8. Assets held for sale will be reviewed in Quarter 4.
9. Short term borrowing reflects the current position based on transactions for the period.
10. Short term creditors reflects the current position based on transactions for the period.
11. Short term provisions reflects the current position with an adjustment to split this total into long and short term provisions based on year end figures. This split will be updated in future quarters.
12. PPP short and long term liabilities has been adjusted to reflect the projected position at March 2020.
13. The accumulated absences account is reviewed annually and will therefore be updated in Quarter 4.
14. The grants received in advance totals reflect the position at the end of Quarter 3.
15. Long term borrowing reflects the current position based on transactions for the period.
16. Finance Lease reflects the closing position as at March 2020.

17. Long term creditors reflects the current position based on transactions for the period.
18. Pension liabilities are only reviewed annually and will therefore be updated in Quarter 4.
19. Usable Reserves reflects the current position based on transactions for the period. Usable Reserves includes uncommitted reserves and earmarked reserves, and due to the positive cashflow have increased to a level that is higher than forecast for the end of the year, the cashflow being used to fund expenditure that will be incurred in the second half of the year.
20. Unusable reserves have been adjusted for statutory accounting adjustments as detailed above.

## **Contingent Liabilities**

In addition to amounts recognised on the Balance Sheet, the Council is aware of the following contingent liabilities at 31 December 2019:

### **Guarantees**

#### **Aberdeen Science Centre (formerly Satrosphere)**

The Council has agreed to provide a guarantee to the Bank of Scotland for the sum of £127,654 in support of an overdraft facility and card guarantee facility until 31 March 2021.

#### **Transition Extreme Sports Ltd**

The Council has agreed to provide a guarantee to the Bank of Scotland in respect of a maximum overdraft facility of £250,000, as approved at City Growth and Resources Committee on 5 December 2019. Exercising the delegated authority provided by the Committee, the Chief Officer – Finance agreed the guarantee until 31 March 2021.

#### **Sport Aberdeen**

The Council agreed to provide a bank guarantee to Sport Aberdeen to a maximum of £5 million over a 5 year period for investment in Council leisure facilities, as approved at the 7 June 2016 Finance, Policy and Resources Committee. A guarantee for a revolving credit facility for £1.4m is also in place.

#### **External Organisations - Guarantor in relation to North East Scotland Pension Fund (NESPF)**

As the administering authority, the Council may admit a body to the Pension Fund as an 'admitted body' provided (i) the organisation can confirm they have sufficient links with a Scheme employer for the body and the Scheme employer to be regarded as having a community of interest; and (ii) the Scheme employer is prepared to act as guarantor in the event the admitted body should cease to exist. If this situation was to occur and staff made redundant the staff over 50 years old would become entitled to immediate payment of their pension benefits. The Council has agreed a number of such guarantees to organisations that include Aberdeen Sports Village, Sport Aberdeen, Aberdeen Performing Arts, Aberdeen International Youth Festival, Aberdeen Heat and Power, Bon Accord Support Services and Bon Accord Care Ltd. The potential values guaranteed are subject to a range of actuarial assumptions.

#### **SEEMIS Group LLP**

The Council has agreed to fund any additional pension liability payments arising from its membership of the SEEMIS organisation (the provider of our schools' Management Information System). To date there has been no call on the guarantee.

#### **Integration Joint Board (IJB)**

The IJB is responsible for the strategic planning of the functions delegated to it by Aberdeen City Council and NHS Grampian. The Aberdeen City IJB Integration Scheme provides the framework in which the IJB operates including information on funding and what should happen if the IJB is projecting to overspend its budget at the year-end. Whilst steps will be taken to

address this (through a Recovery Plan), ultimately the parties to the arrangement may be potentially liable should the IJB overspend.

## **Contractual**

### **Waste Disposal**

The Council has a long term contract with an external contractor for the disposal of all relevant waste arising in the City and the operation and maintenance of waste transfer stations, recycling facilities and landfill sites. The contract commenced in September 2000 and is due to run for 25 years.

The Council is lead partner in a three-authority project with Aberdeenshire and Moray Councils to procure an energy from waste facility which will deal with all residual waste from the three authorities. The contract commenced on 8 August 2019 with the facility expected to come on line in summer 2022, and will run for 20 years.

### **Landfill Allowance Scheme (LAS)**

The Scottish Government had previously introduced a scheme under which Local Authorities were to be penalised for exceeding landfill tonnage targets. The Landfill Allowance Scheme in Scotland is currently suspended and it is expected that the Waste (Scotland) Regulations 2012 will take over the requirement for the control of landfilling biodegradable municipal waste. However, until such a repeal is formalised there remains a potential liability on the Council.

### **Section 75 agreements**

Section 75 agreements (developer obligations) are frequently sought by the Council in relation to the award of planning permission. The Supreme Court's judgement in relation to the Strategic Transport Fund (STF), which was funded through developer obligations, has significant implications for the Council, as there are several large scale projects in development which had expected to rely on STF funding. Delivery of these projects is now at risk unless an alternative funding solution can be identified.

### **Our Generation – Solar Panels**

A contractual dispute exists in relation to this contract which may give rise to a future financial liability. On 23 July 2019 the Council successfully defended an appeal by Our Generation to the Court of Session on the findings of the original judgement. Discussions continue between the parties to find a resolution to the dispute.

### **Aberdeen Art Gallery**

A contractual dispute exists in relation to who bears the cost of the delays in respect of the refurbishment of the Art Gallery. A Court of Session action was raised against the Council by McLaughlin & Harvey, the main contractor, following adjudication in favour of the Council. This case remains sisted whilst a second adjudication has been raised which may give rise to a future financial liability.



## **Legal**

### **Scottish Child Abuse Inquiry**

The Scottish Child Abuse Inquiry is a national inquiry which was set up on 1 October 2015. The Council recognises a potential liability in respect of claims in connection with the subject matter of this inquiry. Several claims which have been received have yet to be assessed and their value is unknown and unquantifiable at this

### **Multi Storey Blocks**

In response to the Grenfell Tower incident, Building Regulation Fire Safety has been reviewed by the Scottish Government, and an updated Technical Handbook published. The provision of automatic fire suppression systems has been deferred until 2021 to align with a government commitment to introduce this within new build social housing. The cost impact of these changes is not quantified at this time.

### **Public Sector Pension Reform – McLeod Judgement**

As a result of the McLeod judgement ruling in England and Wales in June 2019, regarding transitional provisions in public sector pension schemes being unlawfully age discriminatory, it is considered that this is likely to have implications for the Scottish Local Government Pension Scheme (LGPS).

The Government Actuaries Department (GAD) was commissioned to identify the potential impact of the McLeod/Sargeant ruling, and have prepared an assessment of the potential financial impact on the England and Wales LGPS scheme. GAD have quoted that the impact on scheme liabilities of active members is in the region of 2.89%. This would have an impact of £18.8m increase on the Council's current gross pension liabilities.

This value has not been accrued due to the uncertainty on the outcome of the government appeal against the judgement, the remedy to be agreed, and the extent to which the judgement impacts on the LGPS in Scotland.

## Cash Flow Statement

*The statement shows how the Council generates and uses cash and cash equivalents by classifying cash flows as operating, investing and financing activities.*

	<b>Quarter 3 2019/20</b>
	<b>£'000</b>
Net Surplus or (Deficit) on the provision of services	146,181
Adjust net surplus or deficit on the provision of services for non cash movements	(22,782)
Adjust for items included in the net surplus or deficit on the provision of services that are investing and financing activities	(28,975)
Net cash flows from Operating Activities	94,424
Net cash flows from Investing Activities	(125,050)
Net cash flows from Financing Activities	23,249
Net increase or decrease in cash and cash equivalents	(7,377)
Cash and cash equivalents at the beginning of the reporting period	70,520
<b>Cash and cash equivalents at the end of the reporting period</b>	<b>63,143</b>
Cash held by the Authority	39
Bank current accounts	63,104
	<b>63,143</b>



**PROJECTED FINANCIAL POSITION  
FOR THE YEAR 2019/20**

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## MANAGEMENT COMMENTARY

This is the third quarter in the year for the Council's finances, following approval of the budgets in March 2019. Appendix 1 has dealt with the positive position the Council is in at the end of the third quarter, the forecast for the year is built on the information that was available at that time. Core income is ahead of budget at the end of the quarter and it should be noted that this income will be used during the remainder of the year to fund forecast expenditure.

The full year budgets reflected in the table below differ from those set by Council in March 2019 for several reasons. This is normal practice during the year as virements are identified and budget responsibilities change.

In common with recent years there are pressures on the organisation that emerge during the year and to which the Council is responding. The financial position is kept under regular review in relation to progress and forecasting and the conclusions included in Appendix 1 describe the overarching controls that the Council has in place to manage the financial position. There is a commitment from Senior Management to pursue options to mitigate these cost pressures and to work with the Chief Officer – Finance to ensure the overall agreed budget is adhered to.

### General Fund

With reference to the table below, key areas of the budget that the Council is managing are as follows:

1. The main areas of pressure within Operations are:
  - Demand for and supply of foster care, the cost being higher than budgeted due to the inability to recruit city foster carers. This is a national problem, with a high number of placements now being provided by external agencies that charge higher fees as part of a national contract. Work continues to stimulate an increase in the number of City Council foster carers;
  - While demand for work continues to be high for building services the shortage of resources is impacting on the budgeted surplus;
  - Fleet Services due to maintenance costs of older vehicles ahead of the introduction of new vehicles.
  
2. The main areas of pressure within Customer are:
  - The decommissioning of private sector leasing contracts and the associated maintenance of the flats is resulting in higher expenditure this year for financial benefit in future years. The efficiencies that have been achieved in supporting temporary accommodation has led to lower fees being applied and reduced income through housing benefits;
  - Costs of the SWAN network to schools which are providing increased connectivity to schools within the City;  
The impact of decreased demand for design services is forecast to result in lower income levels this year.

3. The main areas of pressure within Commissioning are:

- An increased income target for shared services may not be achieved and other ways to achieve this saving are being considered;
- Ambitious targets were set to secure advertising income over the past two years and demand from new customers is still required to achieve that level of income in the current year.

4. The main areas of pressure within Resources are:

- Commercial property trading account income targets are being closely monitored to ensure delivery on budget.

5. The main areas of pressure within Place are:

City Growth

- Income from catering services provided by museums and galleries has been forecast on a prudent basis and will be revised as trading continues, following the re-opening of the Aberdeen Art Gallery.

Strategic Place Planning are:

- The level of demand for education and social work transport in the current year,
- Low demand from private developers around road development works is resulting in lower than anticipated levels of Income.

6. The main areas of pressure within Governance are:

- A risk that charges for legal support do not match budgeted levels, which depend on in-year activity levels.
- Additional costs of by-elections and a General Election.

7. The main areas of pressure within Integrated Joint Board/Adult Social Care are:

Increased demand for commissioned services across all client groups;

- Costs related to children transitioning from Children's services to adult disabilities due to an increase in both number and cost of packages and more clients transitioning with increased medical needs;
- Under-recovery of client contributions;
- An increase in staffing costs;
- A rise in need for the number of clients receiving care from out of area placements,

There is a risk that changes to the above demand pressures in the IJB have an impact on the Council in 2019/20, however as at Quarter 3 the IJB is forecasting a balanced position.

The Chief Officer – Finance has been advised by the IJB that the risk of the Council being asked to contribute further funds in 2019/20 has increased in the last quarter but there remains a low likelihood of this occurring as the IJB still has reserves to rely on.

8. Across the whole of the Council the planned reduction in the number of posts that are affordable is being managed through voluntary and natural processes, i.e. no compulsory redundancy. This means that there is expected to be continued reduction in the total workforce for the remaining three months of the year. The corporate saving for a reduced workforce is captured in the "Corporate Budgets". The full value of the staff savings is forecast to be achieved during the year.

Contingencies also holds the in-year revenue contingency for the General Fund and the forecast includes the use of that contingency later in the year. The actual position will depend on future events arising from the risk registers and where identified contingent liabilities becoming more certain (see Appendix 1). It means the Council is resilient to changes that might happen in the future that have not been able to be quantified financially. An example of a reason for holding a contingency is winter maintenance and prolonged adverse winter weather that can increase costs.

9. The bad debt provision has been updated to take account of latest data and is under regular review. This budget sits within Council Expenses.
10. The Joint Boards budget and outturn is based on the amount requisitioned by Grampian Valuation Joint Board and is on budget.
11. Miscellaneous Services includes capital financing costs, the cost of repaying the borrowing received in the past for General Fund Capital Programme investment. Capital Financing Costs is the most significant budget within Miscellaneous Services, and includes the impact of accounting for loans fund repayments on a prudent basis, approved by the Audit Risk and Scrutiny Committee in April 2019. A prudent and cautious approach has been taken to forecasting the level of income from the TECA site, which opened in Quarter 2, reporting now includes actual in-year performance.
12. The Non-Domestic Rates figure is set by the Scottish Government as part of its overall funding support package rather than the amount billed and receivable by the Council. The national transitional relief scheme slightly modified continues in 2019/20 with fresh applications required from ratepayers wishing relief under this scheme.
13. The General Revenue Grant is set by the Scottish Government as part of its funding support package. This may change during the year as the government announces funding redeterminations. The Council has already anticipated funding for Teachers' additional pay award from April 2019 and teacher's employers pension contribution increase, from September 2019. The level of funding to compensate for the pension contribution increase that the Council is going to incur is lower than had been assumed in the budget by £0.7m.
14. Council Tax income is slightly ahead of budget for the year.
15. The approved budget made a contribution to the uncommitted General Fund reserve of £900k, and also used £1,231k of previously earmarked reserves. The net effect was a contribution from reserves to balance the budget of £331k. It is forecast that this contribution from reserves will be required in 2019/20 to balance the outturn position.

## Housing Revenue Account

16. There are a number of small variances within the HRA budget, which will be managed during the year.

### Balancing the Budget through Controls and Monitoring Structures

Specific actions to ensure a balanced budget include

- effective management of turnover of staff and vacancies and an underlying assumption that the overall cost of staff will continue to reduce during the remainder of the year. Oversight by the Establishment Control Board on a regular basis.
- A detailed review of the out of authority placements for children by the Chief Officer – Integrated Children’s Services is continuing.
- Specific work in relation to the Service Income policy to ensure full cost recovery is achieved from a range of services that the Council delivers, such as support services, housing services, accommodation and building services.
- The voluntary severance / early retirement scheme remains open and applications are considered as they are received.

In order to ensure tight controls are in place over expenditure, management have created the following control boards, through which requests to spend must be cleared:

The Establishment Control Board covers the staffing Establishment and is co-chaired by the Chief Officers for People & Organisational Development and Finance with advice provided by the Trade Unions;

The Demand Management Control Board captures the commissioning and procurement intentions as they arise and provides an environment for demand-based challenge – this is co-chaired by the Chief Officers for Early Intervention & Community Empowerment and Business Intelligence & Performance Management.

These Control Boards focus on revenue while the Capital Board oversees the progress and emerging aspects of capital planning and delivery, but also connects to the asset elements of the revenue budget and capital financing requirements.

The Transformation Management Group established a Finance sub-group which meets weekly, chaired by the Chief Officer - Finance and brings together the emerging and escalated issues from overall financial performance. This sub-group is made up of the Directors, and the Chief Officers for Governance, People & Organisational Development and Business Intelligence & Performance Management and is the forum to enable an overarching look at Council-wide financial performance, agree on actions and provide assurance.

### Balancing the Budget through the monitoring and control of risks.

Risks are reviewed on a regular basis at a strategic level by the Corporate Management Team on a monthly basis and at an operational level by Chief officers and their teams on a daily basis. As referred to in Appendix 1 the risks around the UK exit from the EU has to date consumed staff time rather than incurring any additional costs. For the purposes of forecasting for the whole year there has been no identified need to make a specific financial provision in the forecast for the likelihood of costs associated with Brexit but this will be kept under review by the Corporate Management Team.



Contingent Liabilities are used to try and capture potential liabilities which could result in costs being incurred. As part of our budget process, we identified a number of contingent liabilities within the budget pack presented to Council and the Corporate Management Team continues to monitor the status of these. A review of the contingent liabilities, listed in Appendix 1, has not established any significant shift in certainty or in the Council's ability to quantify the financial exposure. On that basis there is no adjustment included in the forecasts for the year, they will continue to be reviewed quarterly and any change reported as appropriate.

## **Conclusion**

Based on the information available, and set out in this report, the forecast for the overall position of both the General Fund and the Housing Revenue Account is a balanced one, and this is captured in the tables set out below.

### General Fund Financial Reporting Summary 2019/2020 - Quarter 3

As at 31 December 2019	Budget 2019/2020	Outturn 2019/2020 Quarter 3	Variance from Budget		Notes
	£'000	£'000	£'000	%	
Operations	260,565	261,627	1,062	0.4	1
Customer	38,143	36,912	(1,231)	(3.2)	2
Commissioning	6,350	8,168	1,818	28.6	3
Resources	835	574	(261)	(31.3)	4
Place	17,052	17,723	671	3.9	5
Governance	3,216	3,365	149	4.6	6
Integrated Joint Board	89,061	89,061	(0)	(0.0)	7
<b>Total Functions Budget</b>	<b>415,223</b>	<b>417,431</b>	<b>2,208</b>	<b>0.5</b>	
Contingencies	(15,957)	(14,934)	1,023	(6.4)	8
Council Expenses	2,954	3,584	630	18.2	9
Joint Boards	1,686	1,741	55	3.3	10
Miscellaneous Services	47,618	44,437	(3,181)	(6.7)	11
<b>Total Corporate Budgets</b>	<b>36,300</b>	<b>34,737</b>	<b>(1,472)</b>	<b>(4.3)</b>	
Non Domestic Rates	(258,560)	(258,560)	0	0.0	12
General Revenue Grant	(70,116)	(70,760)	(644)	0.9	13
<b>Government Support</b>	<b>(328,676)</b>	<b>(329,320)</b>	<b>(644)</b>	<b>0.2</b>	
Council Tax	(122,516)	(122,608)	(92)	0.0	14
<b>Local Taxation</b>	<b>(122,516)</b>	<b>(122,516)</b>	<b>(92)</b>	<b>0.0</b>	
Contribution from Reserves	(331)	(331)	0	0.0	15
<b>Contribution from Reserves</b>	<b>(331)</b>	<b>(331)</b>	<b>0</b>	<b>0.0</b>	
<b>Deficit/(Surplus)</b>	<b>0</b>	<b>(0)</b>	<b>0</b>	<b>0.0</b>	

### Housing Revenue Account Summary 2019/2020 - Quarter 3

<b>Deficit/(Surplus)</b>	<b>(500)</b>	<b>(500)</b>	<b>0</b>	<b>(0)</b>	<b>16</b>
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## General Fund Capital Programme

As at Period 9 2019/20	Gross Figures for 2019/20					Variance from Revised Budget £'000
	Original Approved Budget £'000	Adjustments & Carry Forwards £'000	Revised Budget £'000	Expenditure to Date £'000	Forecast Outturn £'000	
AECC Programme Board	60,905	35,059	95,964	76,901	92,044	(3,920)
Asset Management Programme Board	25,993	5,235	31,228	7,681	18,549	(12,679)
Asset Management Programme Board Rolling Programmes	24,848	2,873	27,721	13,319	19,431	(8,290)
City Centre Programme Board	18,335	6,008	24,343	5,556	16,439	(7,904)
Energy Programme Board	27,584	4,233	31,817	15,298	22,723	(9,094)
Housing and Communities Programme Board	1,496	1,696	3,192	958	1,643	(1,549)
Housing and Communities Programme Board Rolling Programmes	872	134	1,006	475	750	(256)
Transportation Programme Board	21,557	4,108	25,665	5,239	11,222	(14,443)
Transportation Programme Board Rolling Programmes	1,500	1,807	3,307	139	1,000	(2,307)
Strategic Asset & Capital Plan Board	(179)	14,521	14,342	1,978	4,971	(9,371)
Developer Obligation Projects & Asset Disposals	200	(200)	0	1,018	1,047	1,047
<b>Total Expenditure</b>	<b>183,111</b>	<b>75,474</b>	<b>258,585</b>	<b>128,563</b>	<b>189,818</b>	<b>(68,766)</b>
<b>Capital Funding:</b>						
Income for Specific Projects	(25,753)	(41,935)	(67,688)	(8,017)	(22,974)	44,714
Developer Contributions	0	0	0	(875)	(1,047)	(1,047)
Capital Grant	(27,671)	0	(27,671)	(20,962)	(27,671)	0
Other Income e.g. Borrowing	(129,687)	(33,539)	(163,226)	(98,710)	(138,126)	25,100
<b>Total Income</b>	<b>(183,111)</b>	<b>(75,474)</b>	<b>(258,585)</b>	<b>(128,563)</b>	<b>(189,818)</b>	<b>68,767</b>

The programme has been updated to reflect project decisions taken by this committee at the beginning of December 2019 concerning the Mortuary and Smart City projects. The Council has also been notified of an additional £35,000 Low Emissions Zone funding from the Scottish Government, which has been added to the Transportation programme.

Project updates are provided in detail at the Capital Programme Committee, the latest high-level summary is included below on the key investments:

- **AECC Programme Board:** The Event Complex Aberdeen (TECA) continued to build on early successes this quarter, including hosting several high-profile concerts and the BBC Sports Personality of the Year event. The final piece of infrastructure, the Anaerobic Digestion Gas to Grid (AD plant), will complete the complex in 2020.
- **Asset Management Programme:** Design works have continued on the new Schools programme, the advancement of the Early Learning and Childcare (ELC) programme, and the Kingsfield Children's Home project. Procurement processes were also commenced for the Council's continued digital investment in Parking Enforcement Infrastructure and upgraded CCTV systems.
- **City Centre Masterplan Programme Board:** Aberdeen Art Gallery (AAG) successfully re-opened to the public on Saturday 2 November 2019, with more artefacts on display than ever before. The Schoolhill Public Realm project was also completed in time for AAG's opening day. Contractors are on site for other key projects, including Union Terrace Gardens and Provost Skene House, and further works proceeding on the Broad Street.
- **Energy Programme Board:** Governance arrangements are in place between the partner Councils for the NESS Energy from Waste facility, and elected member representatives from all 3 Councils were invited for a site tour in early December to view the initial works. The Council continued discussions with the Administrators of Wrightbus, the supplier of the Council's new fleet of hydrogen buses, and also engaged with the company's potential new owners to progress delivery of the buses.

- Housing and Communities Programme Board: The opening of the Council's second Cruyff Court, located beside Tullos Primary School and named after Dons footballer Neale Cooper, was celebrated in early October.
- Transportation Programme Board: Officers continue to progress the South College Street project, following the decision of this committee in September, in order to advance the wider portfolio of schemes that relate to the City Centre and the Roads Hierarchy report approved by this committee in June.

## **Conclusion**

Expenditure on key projects that are in the delivery phase and those due to be completed is continuing, with the forecasts for the year taking account of spending patterns to the end of Quarter 3. As further contracts are let and projects progress during the year there will be increased certainty about the financial position of the capital programme. The level of expenditure will determine the overall level of borrowing required.

In general, the financial profiling of the programmes noted above is due to previously reported issues on specific projects and will provide assurance to the Council that borrowing levels are being robustly forecast based on information available at present. On-going scrutiny and monitoring of specific projects will continue to be made by the Capital Programme Committee.

## Housing Capital Programme

Housing Capital Programmes	Approved Budget	Expenditure to date	Forecast Expenditure
As at 31 December 2019	£'000	£'000	£'000
Compliant with the tolerable standard	2,527	582	2,527
Free from Serious Disrepair	9,502	3,823	9,802
Energy Efficient	8,733	6,320	8,753
Modern Facilities & Services	2,589	916	2,589
Healthy, Safe and Secure	6,609	3,209	6,289
<i>Non Scottish Housing Quality Standards</i>			
Community Plan and Local Outcome Improvement Plan	5,800	4,194	5,800
Service Expenditure	4,226	436	4,226
2000 New Homes Programme	11,172	12,510	11,172
	<b>51,158</b>	<b>31,990</b>	<b>51,158</b>
less 11% slippage	(4,398)		(4,398)
<b>Net Programme</b>	<b>46,760</b>	<b>31,990</b>	<b>46,760</b>
<b>Capital Funding</b>			
Borrowing	(20,586)	0	(20,586)
Capital Funded from Current Revenue	(26,174)		(26,174)
<b>Total</b>	<b>(46,760)</b>	<b>0</b>	<b>(46,760)</b>

The housing capital expenditure budget of £51.158M set in March 2019 assumes that a level of slippage will occur across projects and allows for changes that happen when timescales must be altered, contractors are not available or delayed, planning or legal issues might arise. Forecast expenditure, currently in line with the funded budget, is based on spend to date on current contracts. Main underspend is within Free from Serious Disrepair and relates to reduced spend on structural repairs on the Multi Storeys which has been delayed due to lack of agreement from owners.

The inclusion of the 2,000 new homes programme begins to capture the costs associated with the different methods of delivering the 2,000 homes, which will include developer led projects such as the Wellheads site in Dyce and the Council led projects such as Summerhill. Sites will be added to the programme as part of the budget process.

Approval is sought from Committee for the following virements.

### Increases

£4,300,000 for the delivery of the 2,000 new homes programme as the cashflow of the Wellheads site in Dyce varies from the original 19/20 budget.

### Reductions

£4,300,000 from Free from Serious disrepair due to a lack of agreement from owner occupiers in the blocks and suitable contractors leading to underspend.

## **Conclusion**

The housing capital programme will deliver significant improvements across the housing estate over the course of the year. At present the forecast is that the slippage anticipated in the budget will arise.

## COMMON GOOD

	Full Year Budget 2019/20	Forecast Outturn 2019/20	Variance from Budget
As at December 2019	£'000	£'000	£'000
Recurring Expenditure	2,844	2,844	0
Recurring Income	(3,678)	(3,678)	0
<b>Budget After Recurring Items</b>	<b>(834)</b>	<b>(834)</b>	<b>0</b>
Non Recurring Expenditure	3,246	3,246	0
Non Recurring Income	0	0	0
<b>Net Expenditure</b>	<b>2,412</b>	<b>2,412</b>	<b>0</b>
Amounts required for increase in cash balances in line with inflation	369	369	
<b>Revised Net Expenditure</b>	<b>2,781</b>	<b>2,781</b>	
<b>Cash Balances as at 1 April 2019</b>	<b>(29,729)</b>	<b>(29,729)</b>	
<b>Estimated Cash Balances as at 31 March 2020</b>	<b>(26,578)</b>	<b>(26,578)</b>	
<b>Minimum cash balance requirement per budget report (Council February 2015)</b>	<b>(26,044)</b>	<b>(26,044)</b>	

The Common Good, based on spending to the end of Quarter 3, is forecast to operate to budget.

It should be noted that the Council agreed, 23 August 2017, that an allocation of up to £1million capital funding for the proposed redevelopment of Aberdeen Science Centre, to be phased over financial years 2018/19 and 2019/20, with this being subject to the exploration of other funding sources thereby reducing the amount required from the Council, and with delegated authority to the Head of Legal and Democratic Services, in consultation with the Chief Officer - Finance to agree the terms associated with the funding.

A funding agreement was put in place in relation to this approval. It is expected that a sum of approximately £900k will be drawn down by the Aberdeen Science Centre during 2019/20. This will have the impact of reducing cash balances to fund the payment.

### Conclusion

The Common Good, through delivering on budget and meeting its existing commitments for the year, will retain cash balances in line with cash requirements that have been calculated as necessary at the end of the year.

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**COMMON GOOD  
FINANCIAL STATEMENT  
FOR THE PERIOD ENDING  
31 DECEMBER 2019**

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## Contents

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## Common Good

The Common Good stands separate from other accounts and funds of the Council, and could be said to originate in the grant of freedom lands by King Robert the Bruce in 1319. The Common Good is corporate property and must be applied for the benefit of the community as the Council thinks fit. It is invested in land and buildings, such as industrial estates and farms, with any surplus being placed on cash deposit with other local authorities, building societies and the Council's Loans Fund.

## Movement in Reserves Statement

	Common Good Fund £'000	Reserves Fund £'000	Total Common Good £'000
<b>Balance at 31 March 2019</b>	(120,479)	(68)	(120,547)
<b>Movement in Reserves during 2019/20</b>			0
(Surplus) or Deficit on provision of services	1,208	0	1,208
<b>Total Comprehensive Expenditure and Income</b>	<b>1,208</b>	<b>0</b>	<b>1,208</b>
<b>Balance at 31 December 2019</b>	<b>(119,271)</b>	<b>(68)</b>	<b>(119,339)</b>

## Comprehensive Income and Expenditure Statement

	Quarter 3, 2019/20			Notes
	Gross Expenditure £'000	Gross Income £'000	Net (Income) Expenditure £'000	
Administration Costs	5		5	
Donations, Grants, Contributions etc.	290		290	
Civic Hospitality	111		111	
Civic Expenditure			0	
Funding of International Budget	15		15	
Christmas Illuminations & Festivities	0		0	
Civic Administration Unit	120		120	
Other Projects	38		38	
Miscellaneous Expenditure	209		209	
Youth Activity Funding	0		0	
Specific Projects	2,392		2,392	
Duthie Park HLF	0		0	
<b>Cost Of Services</b>	<b>3,179</b>	<b>0</b>	<b>3,179</b>	1
Other Operating Expenditure			0	2
Financing and Investment Income and Expenditure			(1,971)	3
<b>(Surplus) or Deficit on Provision of Services</b>			<b>1,208</b>	
(Surplus) or Deficit on revaluation of investment property				4
<b>Total Comprehensive Income and Expenditure</b>			<b>1,208</b>	

## Notes

1. This is project expenditure to 31 December 2019.
2. This reflects any gains or losses on the disposal of assets during the year. Disposals will be accounted for at year end.
3. This reflects income receivable from investment land and properties net of associated expenditure.
4. The revaluation of investment property will be undertaken in Quarter 4.

## Balance Sheet

31 March 2019 £'000		31 December 2019 £'000	Notes
90,818	Investment Property	90,818	1
<b>90,818</b>	<b>Long Term Assets</b>	<b>90,818</b>	
28,744	Investments in Aberdeen City Council Loans Fund	30,835	2
0	Investment Property Held for Sale	0	3
1,366	Short Term Debtors	(1,507)	4
<b>30,110</b>	<b>Current Assets</b>	<b>29,328</b>	
(381)	Short Term Creditors	(807)	5
<b>(381)</b>	<b>Current Liabilities</b>	<b>(807)</b>	
<b>120,548</b>	<b>Net Assets</b>	<b>119,339</b>	
120,480	Common Good Fund	119,271	6
68	Reserve Fund	68	6
<b>120,548</b>	<b>Total Reserves</b>	<b>119,339</b>	

## Notes

1. The revaluation of investment property will be undertaken in Quarter 4, at which time this figure will be updated.
2. Reflects current cash balances held following transactions to 31 December 2019.
3. Will be reviewed and updated accordingly in Quarter 4.
4. Based on transactions to 31 December 2019.
5. Based on transactions to 31 December 2019.
6. Reflects the accounting value of the funds, based on transactions to 31 December 2019. This includes Earmarked Reserves of £261k.



**GROUP ENTITIES**  
**PROJECTED FINANCIAL**  
**POSITION FOR THE YEAR 2019/20**

Aberdeen City Council holds a financial interest in a number of Subsidiaries, Associates and Joint Ventures. The most significant of these are included in the Council's Group Accounts.

The table below outlines the entities to be consolidated into the Council's Group Accounts, and details the Council's share of "ownership" of each of the entities.

For the Financial Year 2019/20	ACC Control	ACC Commitment to meet accumulated deficits	Annual Turnover
	%	%	£m
<b>Subsidiaries</b>			
Common Good	100	100	4
Trust Funds	100	100	0
Sport Aberdeen Limited	100	100	14
Bon Accord Care Limited	100	100	24
Bon Accord Support Services Limited	100	100	30
<b>Joint Ventures</b>			
Aberdeen Sports Village Limited	50	50	6
Aberdeen City Integration Joint Board	50	50	313
<b>Associates</b>			
Grampian Valuation Joint Board	39	39	5

The Council has agreed to include information only when it has been reported through a group entities governance structure.

For the Financial Year 2019/20	Reporting Date	Surplus/(deficit) attributable to the Council at Reporting date	Forecast Surplus/(Deficit)	Comment
		£'000	£'000	
<b>Subsidiaries</b>				
Common Good	31.12.19	(1,208)	-	Break even position forecast
Trust Funds	-	-	-	Information available at 31.03.20
Sport Aberdeen Limited	31.12.19	377	0	Break even position forecast
Bon Accord Care Limited and Bon Accord Support Services Ltd	31.12.19	45	0	Break even position forecast
<b>Joint Ventures</b>				
Aberdeen Sports Village Limited	31.10.19	9	0	Forecast not yet available
Aberdeen City Integration Joint Board	31.12.19	0	0	Break even position forecast
<b>Associates</b>				
Grampian Valuation Joint Board	31.12.19	0	96	

The notes below summarise the current financial position in respect of each of the group entities.

**Subsidiaries**

### **Common Good**

The Common Good is corporate property and must be applied for the benefit of the community as the Council thinks fit. It is invested in land and buildings, such as industrial estates and farms, with any surplus being placed on cash deposit with other local authorities, building societies and the Council's Loans Fund.

The Common Good is currently forecasting break even position for 2019/20 mainly as a result of recurring income and expenditure – see Appendix 2. The financial statement for the quarter is shown in Appendix 3.

### **Trust Funds**

The Council is responsible for the administration of various trusts created by bequest or evolved through history or by public subscription which are utilised for a variety of benefits such as education and social work, charitable purposes, religious instruction, medical institutions, the upkeep of public works and also the administration of the Guildry. The money earned from the investments of the Trusts is used to provide grants, prizes and dux medals for school children and requisites for clients in Social Work homes.

Financial information for the Trust Funds will be available at year end, 31 March 2020. They are not expected to have a material impact on the Council's financial position for 2019/20.

### **Sport Aberdeen**

Sport Aberdeen Limited is a charity and constitutes a limited company limited by guarantee. The principal activity of the company is the provision of recreation leisure facilities and services on behalf of Aberdeen City Council in accordance with key priorities. Although Aberdeen City Council does not own the entity it is considered that control representing power to govern exists through agreements in place and that Sport Aberdeen Limited operates as a structured entity of the Council. The results for the period ended 31<sup>st</sup> December 2019 show a surplus of £377K. This is mainly due to the seasonal nature of Sport Aberdeen's business model where activities are higher in the warmer months of the year. Sport Aberdeen have advised that they expect a modest surplus at year end but are anticipating trading losses in the final three months. This is expected to reduce surplus as at December 2019.

**Bon Accord Care and Bon Accord Support Services** Bon Accord Care Limited(BAC) and Bon Accord Support Services Limited(BASS) are private companies limited by shares which are 100% held by Aberdeen City Council. Bon Accord Care provides regulated (by the Care Inspectorate) care services to Bon Accord Support Services which in turn delivers both regulated and unregulated adult social care services to the Council.

The consolidated position of Bon Accord Care and Bon Accord Support Services shows an overall profit of £45k for the period ended 31<sup>st</sup> December 2019, compared to a budgeted surplus of £19k. This represents a positive variance of £26k from budget. An overall break even position for the financial year 2019/20 is currently forecast.

### **Joint Ventures**

#### **Aberdeen Sports Village Limited (ASV)**

ASV Ltd is a company limited by guarantee and registered as a charity. It is a joint venture company owned equally by the Council and The University of Aberdeen. ASV Ltd was incorporated in 2007 and its objectives are to provide sports and recreational facilities, including elite sports facilities for the use of both students and staff of the University of Aberdeen and the general public, and the advancement of public participation in sport.

The financial year end for ASV Ltd is not aligned to the Council's with its year end being 31 July. The latest available financial information for Aberdeen Sports Village is for the first quarter, the period ended 31<sup>st</sup> October 2019. This shows that ASV Ltd reported a surplus of £19k as at 31<sup>st</sup> October 2019, against a budgeted deficit of £42k for this period, a favourable variance of £62k. The share of the surplus being attributed to the Council is £9.5k.

#### **Aberdeen City Integration Joint Board (IJB)**

The IJB was established by order of Scottish Ministers on 6 February 2016, becoming fully operational from 1 April 2016. The IJB is responsible for the strategic planning, resourcing and operational delivery of all integrated health and social care within the Aberdeen City area. This has been delegated by the partners; Aberdeen City Council and NHS Grampian.

As at 31 December 2019, the IJB is showing a deficit of £2.5m. This is mainly due to budget pressures of the additional cost of locums, and increases in prescribing spend, currently faced by the IJB due to the demand led nature of the services provided. This overspend is expected to reduce significantly by the end of the financial year to reach a break even position, on the assumption that any anticipated overspends will be funded from reserves.

The IJB currently holds a risk fund of £2.5m which will be used to cover any overspend position. There is the risk that the forecast overspend may be higher for 19/20 and the risk fund will not be sufficient. Additional funding may then be required from the Council and the NHS.

Further analysis of the IJB variance can be seen in Appendix 1

## **Associates**

### **Grampian Valuation Joint Board**

The Grampian Valuation Joint Board was created following Local Government Re-organisation on 1 April 1996, under the Local Government (Scotland) Act 1994 and covers the local government areas of Aberdeenshire, Aberdeen City and Moray.

The Board has reported a surplus of £215k as at 31<sup>st</sup> December 2019 compared to a budgeted surplus of £60k at this stage of the year, representing a better than expected variance of £156k.

The main reasons for the underspend as at Q3 is due to savings made in employee costs as a result of vacancies not being filled up in time and £22k more received in government grants than budget. In addition to this further savings have been realised in postage and stationary costs, canvases expenses various minor up and down movements. It is expected that this trend in underspend is likely to continue for the remainder of the financial year with the expectation of a forecast underspend of £245k for the financial year 2019/20. The portion of this forecast underspend attributable to ACC is £96k.



## ABERDEEN CITY COUNCIL

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<b>COMMITTEE</b>	City Growth and Resources Committee
<b>DATE</b>	6 <sup>th</sup> February 2020
<b>EXEMPT</b>	No
<b>CONFIDENTIAL</b>	No
<b>REPORT TITLE</b>	Donald Colman Plaque
<b>REPORT NUMBER</b>	PLA/20/029
<b>DIRECTOR</b>	N/A
<b>CHIEF OFFICER</b>	Richard Sweetnam
<b>REPORT AUTHOR</b>	Jim Inglis
<b>TERMS OF REFERENCE</b>	Purpose 6

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### 1. PURPOSE OF REPORT

- 1.1 To seek approval for the erection of a plaque to Donald Colman, Footballer, International Coach and inventor of the touchline dugout at 342 King Street Aberdeen.

### 2. RECOMMENDATION(S)

That the Committee

- 2.1 Approve the erection of a plaque to Donald Colman at 342 King Street.

### BACKGROUND

- 3.1 Aberdeen Football Club Heritage Trust have proposed that a commemorative plaque to Donald Colman should be placed.
- 3.2 The proposal meets the requirements for an appropriate location set out in the Guidelines for the Nomination on Commemorative Plaques (see appendix 10:1) as the proposed siting is on the building where Colman lived whilst in Aberdeen.
- 3.3 A Standard Circular Yellow Commemorative Plaque would be produced (see appendix 2 for example).
- 3.3.1 The proposed wording is:

Donald Colman 1878-1942  
 Captain and Trainer of Aberdeen FC  
 Inventor of the Football Dugout  
 Lived here

- 3.3.2 Donald Colman played for various teams in Scotland, including Aberdeen FC as a defender and where he was team captain. He was capped for Scotland, and went on to train teams in Norway and Aberdeen FC.
- 3.3.3 It was whilst Colman was Aberdeen coach and living at 342 King Street that he introduced the idea of the team touchline dugout - Pittodrie being the first pitch to have them installed. (See appendices 10.2 & 10.3 for a fuller account of Colman's career).
- 3.4 Planning has raised no objection whilst all the owners of the building have approved the erection of the plaque and its siting (see appendix 10.5)
- 3.5 Aberdeen Football Club Heritage Trust as promoters of the plaque will bear responsibility for obtaining all required statutory and 3<sup>rd</sup> party consents to allow the plaque to Donald Colman to be placed at 342 King Street.

#### **4. FINANCIAL IMPLICATIONS**

- 4.1 There are no direct financial implications arising from the recommendations of this report. Financial costs shall be covered by the nominating body as outlined in the Plaques Guidance (appendix 10.1).

#### **5. LEGAL IMPLICATIONS**

- 5.1 There are no direct legal implications arising from the recommendations of this report. The building owners and Planning have been consulted regarding location of the plaque. Aberdeen Football Club Heritage Trust as promoters of the plaque will bear responsibility for obtaining all required statutory and 3<sup>rd</sup> party consents to allow the plaque to Donald Colman to be placed at 342 King Street.

#### **6. MANAGEMENT OF RISK**

<b>Category</b>	<b>Risk</b>	<b>Low (L) Medium (M) High (H)</b>	<b>Mitigation</b>
<b>Financial</b>	N/A	N/A	N/A
<b>Legal</b>	N/A	N/A	N/A
<b>Employee</b>	N/A	N/A	N/A
<b>Customer</b>	N/A	N/A	N/A
<b>Environment</b>	N/A	N/A	N/A
<b>Technology</b>	N/A	N/A	N/A

<b>Reputational</b>	Risk of not acknowledging the significance of Donald Colman's contribution to the development of football in Aberdeen and beyond		The dedication of a plaque would provide acknowledgement of Colman in his adopted city.
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## 7. OUTCOMES

<b>Local Outcome Improvement Plan Themes</b>	
	<b>Impact of Report</b>
<b>Prosperous Economy</b>	The Plaque may attract visitors to King Street who may use businesses in the locale.
<b>Prosperous People</b>	It may act as an inspiration to viewers to take pride in Aberdeen's heritage

<b>Design Principles of Target Operating Model</b>	
	<b>Impact of Report</b>
<b>Customer Service Design</b>	Working in partnership with Aberdeen FC Heritage Trust provides a good example of fostering relations with local heritage groups.

## 8. IMPACT ASSESSMENTS

<b>Assessment</b>	<b>Outcome</b>
<b>Equality &amp; Human Rights Impact Assessment</b>	Not required
<b>Data Protection Impact Assessment</b>	Not Required (all personal information on plaque is already in public domain)

## 9. BACKGROUND PAPERS

- 9.1 Plaque Application for Donald Coleman on behalf of the Aberdeen Football Club Heritage Trust

## **10. APPENDICES (if applicable)**

- 10.1 Details of the requirements of the Plaques Scheme
- 10.2 Details of the Nominee (Donald Coleman) and reasons for application
- 10.3 Abridged biography of Donald Coleman
- 10.4 Image of Donald Coleman at Pittodrie with the first dugout in situ
- 10.5 Image of proposed location of plaque
- 10.6 Image of standard Commemorative plaque

## **11. REPORT AUTHOR CONTACT DETAILS**

Name:	Jim Inglis
Title:	curator
Email Address	jainglis@aberdeencity.gov.uk
Tel	01224 337711

Appendix 1

Commemorative Plaques Policy adopted by the Education and Leisure committee in 2002:

- That the nominated person is worthy of commemoration, that they are of national or international standing or of such outstanding local importance as to deserve a plaque. They should be regarded either within their profession as eminent or be recognisable to the well-informed passer by.
- That the nomination is vetted by the History Curatorial team and subject to final approval by the appropriate council committee.
- That the person or group who have made the nomination make available finance necessary to see the plaque created, shipped and installed (approximately £350). A letter of financial commitment will be required. Finance must be raised independently: unfortunately Aberdeen City Council officers will not be able to become involved in the fund raising process.
- That the person in question is dead and where appropriate any living relative has granted their consent to the erection of the plaque.
- That an appropriate location for the plaque has been found. Appropriate means that either the person lived within the building upon which the plaque will be fixed or they worked there for a significant period and that the location of the plaque is such that members of the public will normally be able to view it from a public road or street without needing to enter upon private property. It will be necessary to have permission from those either resident within that building or those who work there. Consent will also be required from those who own the building.
- That the plaque will conform to the normal dimensions of other commemorative plaques within Aberdeen City. That is to say that they are cast aluminium, round, 20 inches in diameter and with white raised lettering on a fawn background.
- That no notice of sponsorship will occur on the plaque. However notice of sponsorship will occur on the plaques information on the City Council's Corporate Website and in any forthcoming versions of the plaque leaflet. Aberdeen City Council will retain ownership of the plaque.
- That the wording on the plaque should be in normal English, with exceptions where a piece of fiction or such like is being indicated.

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### ***Donald Colman – an abridged biography***

Donald Colman was born Donald Cameron Cunningham on 14<sup>th</sup> August 1878 in Renton, Dumbartonshire.

He was a passionate football player from a young age and signed to play a junior club Glasgow Perthshire once he was of an age. This was when, fearing his parents disapproval of his wish to play football professionally he signed under the Colman name (family name of his Grandmother). Subsequently he played for a number of junior clubs before being contracted to Motherwell in 1905.

In 1907 he was transferred to Aberdeen where he played at right back, and within two years was given the captainship of the team, and was to remain with Aberdeen FC until 1920, when he was 42 years old.

He was capped for Scotland 4 times between 1911-1913.

The outbreak of war in 1914 was to see Colman on active service with the Gordon Highlanders along with most of his colleagues, this was to lead to Aberdeen being forced out of the Scottish League by 1917 as they could not actually field a full team. After the end of the war Colman was one of the few who returned and was able to resume his playing career at Aberdeen.

After leaving Aberdeen FC in 1920 (aged 47) he moved south to become player/manager of Dumbarton FC where he remained for five years. It was during his spell at Dumbarton that he launched an international coaching career, spending the summer months in Norway where he was coach to SK Brann of Bergen. This had a profound impact upon his training methods and he introduced many innovations to Dumbarton, and subsequently after being appointed coach at Aberdeen FC in 1931. This was when he moved into the flat at 342 King Street along with his family.

One of his training innovations was the concentration upon players footwork and would design boots specific to the players but only issue them one foot at a time in order to strengthen their weaker foot. He also made innovations to promote fitness and increase the skill levels of the players.

However, one of his most lasting innovations was the introduction of the touchline dugout. By 1934 this was a fixture near the centre line of Pittodrie. It allowed Colman to watch his players at foot level, so gaining a constant view of how the team was functioning and helping him adjust team tactics during the game. Admittedly it also kept him sheltered from the often biting wind coming from the North Sea. It was not long that the dugout became a national then regular international fixture of football stadia.

Colman died in 1942 due to Tuberculosis. His obituaries were many from far and wide and he is recognised both by his old club (he was inducted into the Hall of Fame 2018) and the Scottish FA as being a major figure in the development of football.

It is fitting that his great granddaughter Rachel Corsie is present captain of the successful Scottish Women's Football Team.

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## ABERDEEN CITY COUNCIL

<b>COMMITTEE</b>	City Growth and Resources
<b>DATE</b>	06 February 2020
<b>EXEMPT</b>	No
<b>CONFIDENTIAL</b>	No
<b>REPORT TITLE</b>	The Planning (Scotland) Act 2019
<b>REPORT NUMBER</b>	PLA/20/011
<b>DIRECTOR</b>	N/A
<b>CHIEF OFFICER</b>	Gale Beattie
<b>REPORT AUTHOR</b>	Claire McArthur
<b>TERMS OF REFERENCE</b>	2.2 Determine the Council's strategies for city growth and place planning except in relation to major infrastructural planning and the Local Development Plan

### 1. PURPOSE OF REPORT

- 1.1 The purpose of this report is to update Members on the expected implications for Aberdeen City Council resulting from the Planning (Scotland) Act 2019.

### 2. RECOMMENDATION(S)

That the Committee:-

- 2.1 Agrees, in terms of the discretionary powers afforded to Aberdeen City Council by the Planning (Scotland) Act 2019 (as described in paras 3.10.1 to 3.10.11 of this Report):-
- a) to instruct the Chief Officer - Strategic Place Planning to propose to Aberdeenshire Council a partnership for the production of a Regional Spatial Strategy for the Aberdeen City Region;
  - b) that no current need for a Masterplan Consent Zone exists with the Council's administrative boundary;
  - c) that no current need for a Short Term Let Control Area exists with the Council's administrative boundary;
  - d) that any future decision on whether or not to charge discretionary planning fees would be considered through a Cost Benefit Analysis undertaken as part of the General Fund Revenue Budget process and the proposed budget for Strategic Place Planning; and
  - e) that any necessary changes to the Council's Powers Delegated to Officers resulting from the Planning (Scotland) Act 2019 be undertaken through the annual review to the Council's Scheme of Governance, which is due to be presented to the Council meeting on 2 March 2020.

### 3. BACKGROUND

3.1 The Planning (Scotland) Bill 2017 was introduced to the Scottish Parliament on 4 December 2017 and was approved on 20 June 2019. The Bill received Royal Assent on 25 July 2019 and thereafter became the Planning (Scotland) Act 2019. The Planning (Scotland) Act 2019 (“the Act”) amends the primary legislation concerning the use and development of land in Scotland, namely the Town and Country Planning (Scotland) Act 1997.

3.2 In order to determine the expected implications of the Act for Aberdeen City Council, a Summary and Review Programme has been prepared and is appended as Appendix 1 to this Report. This Summary and Review Programme discusses each part of the Planning (Scotland) Act 2019 in detail and also provides indicative timescales on when further guidance and implementation from Scottish Government is expected. In summary, the Act:

- Introduces a new statutory link between development and community planning with communities having the opportunity to prepare Local Place Plans;
- Removes the requirement to prepare Strategic Development Plans and instead introduces a requirement to prepare Regional Spatial Strategies;
- Includes the National Planning Framework as part of the statutory Development Plan;
- Introduces an Infrastructure Levy (albeit detail on such is limited at this time);
- Requires Local Development Plans to be adopted every 10 years rather than every 5 years;
- Repeals the ability of a Council to produce Supplementary Guidance;
- Introduces Masterplan Consent Areas to replace Simplified Planning Zones;
- Introduces increased financial penalties for breaches in planning control;
- Provides an increased remit for Local Review Bodies;
- Introduces new requirements for Councils to produce annual performance reports;
- Requires that Elected Members undergo training before being able to vote on planning decisions (after 2021); and,
- Requires Councils to identify/appoint a ‘Chief Planning Officer’ (further guidance expected late 2020).

3.3 A full assessment of the implications of the Act will not be possible until additional secondary legislation / regulations / guidance has been prepared. Members should note that the Chief Officer - Strategic Place Planning will report back to a meeting of this Committee to seek any decisions required resulting from the publication of additional secondary legislation / regulations by the Scottish Government.



## **Influence**

- 3.4 In terms of influence, the Act may result in more Government influence over the development planning system, for example by incorporating the next National Planning Framework as part of the statutory Development Plan. Once published it will be this document that will set a detailed strategic investment framework for development across Scotland, including setting targets for housing. For Aberdeen this was previously assessed and prepared regionally via the Strategic Development Plan. There will be no independent Examination of the new National Planning Framework, and its route of approval is by resolution of the Scottish Parliament.

## **Strategic Planning**

- 3.5 The Act abolishes the need for Aberdeen City and Aberdeenshire to jointly produce a statutory Strategic Development Plan (SDP) for the area. This will directly impact on the work and focus of the Strategic Development Planning Authority and may have implications for other regional partnerships as new arrangements for regional working are established. As discussed further in paragraph 3.10.1, the Act requires the Council to produce a Regional Spatial Strategy (RSS), however this new Strategy will not hold the same weight as the SDP as it will not form part of the statutory Development Plan for the area.
- 3.6 The Act also introduces changes to the process of producing the Council's own Local Development Plan (LDP), for example moving this from a 5-year review cycle to a 10-year cycle. The Policy Memorandum which accompanied the Bill considers that this move will ensure LDPs better reflect investment and development timescales and form a more settled and reliable vision for how an area should develop in the future. The Memorandum also considers that this move will allow resources to be redirected towards LDP implementation. The move to a 10-year cycle does however mean the Local Development Plans may be at greater risk of becoming out-of-date, and so it will be important that the Council consider what, if any, amendments to the LDP may be necessary during the 10 year period. Further Regulations on the process surrounding amending a Local Development Plan are not expected until 2022.

## **Customers**

- 3.7 In relation to our customers, the Act allows more opportunities for communities to get involved in preparing strategies for their local areas through Local Place Plans, and for more young people to become involved in the preparation of a Local Development Plan. A greater alignment with community planning and links to Local Outcome Improvement Plans are also required.
- 3.8 For the development industry, changes to Development Management and Enforcement procedures are not as wide ranging as those for Development Planning, however proposed changes to planning fees and Permitted Development Rights will be of interest to many.

## **New Duties**

- 3.9 The Act places 49 new duties on planning authorities. These range from provision of information to support preparation of a National Planning Framework to annual performance reporting and mediation. A list of the 49 new duties is attached as Appendix 2.
- 3.10 Although the vast majority of the new Act is mandatory, there are a number of “discretionary” powers afforded to the Council – i.e. where the Council can decide what action, if any, to take. These are discussed further in paragraphs 3.10.1 to 3.10.11 below. Recommendation 2.1 of this Report sets out the Officer Recommendation to Members on how best to proceed with these “discretionary” powers:

### Regional Spatial Strategy

- 3.10.1 As mentioned above, the Act includes a new duty to prepare a Regional Spatial Strategy (RSS). This is defined as a long-term spatial strategy in respect of the strategic development of an area. The Act (Part 1, Section 5) alters the Town and Country Planning (Scotland) Act 1997 to require a planning authority, or two or more such authorities acting jointly, to prepare and adopt a Regional Spatial Strategy. For Aberdeen this will replace the previous need to prepare a Strategic Development Plan (SDP). Unlike the SDP, the new RSS will not be part of the statutory Development Plan covering the area.
- 3.10.2 Although Authorities can decide to prepare a Regional Spatial Strategy on their own, it is Officers recommendation that continuing the existing regional planning relationship with Aberdeenshire would be the most sensible option moving forward. Aberdeen City and Aberdeenshire Councils have a long tradition of both partnership and successful regional working. The North East of Scotland has an almost unique geography and environment and the two Councils have, over many years, developed a very strong bond between the City, the regional centre, and the surrounding country. Approval is therefore sought from Members for the Chief Officer - Strategic Place Planning to approach Aberdeenshire Council with a proposal to enter into a formal partnership for production of a Regional Spatial Strategy for the Aberdeen City Region. The ultimate route of adopting any RSS would be set out as part of any new partnership agreement. It may be that a new Joint Committee, to replace the existing Strategic Development Planning Authority Committee, would be required as part of this process. Once further detail is known Officers will report back if required.

### Masterplan Consent Area Scheme

- 3.10.3 Part 2 of the Act alters the Town and Country Planning (Scotland) Act 1997 to allow the Planning Authority to designate Masterplan Consent Area Scheme(s) within its area. Any such Scheme would act as a grant of authorisation (for example planning permission) for carrying out the type(s) development specified in its designation – for example, housing, business, infrastructure.

- 3.10.4 The Planning Authority can choose whether or not to designate a Masterplan Consent Area Scheme. A Masterplan Consent Area Scheme would grant approval for specified types of development, removing the need for an application for planning (or other relevant) permission within the scope of the Scheme. Officers do not currently see the need for any Masterplan Consent Area Scheme to be designated with the Aberdeen City boundary. This is because there is no site/area within the City where designation of such a Scheme would be beneficial in bringing forward new development in a sustainable and managed manner. Most of the large masterplanned new community sites across the City (Grandhome, Countesswells, Newhills etc) have already obtained a number of their necessary consents and would likely not benefit from such a Scheme at this point in their development given the level of work that would be required for any Scheme to be prepared. No Simplified Planning Zones (the closest former equivalent) have historically been progressed in Aberdeen, mainly due to a lack of interest from the development industry, but also due to the complex process for progressing any such Zone under the previous legislation.
- 3.10.5 Notwithstanding the above, Members should note that powers have also been conferred on Scottish Ministers in connection with Masterplan Consent Area Schemes, and that Ministers could therefore direct a planning authority to make a Scheme in such terms as Ministers consider appropriate.

#### Short Term Let Control Area

- 3.10.6 Part 3, Section 17 of the Act alters the Town and Country Planning (Scotland) Act 1997 to allow the Planning Authority to designate all or part of its area as a Short Term Let Control Area. Within any such area the use of a dwellinghouse for short term letting (e.g. via Air B&B or equivalent) would involve a material change of use, and therefore require planning permission.
- 3.10.7 The Planning Authority can choose whether or not to designate a Short Term Let Control Area. Officers do not currently see the need for any Short Term Let Control Area to be designated with the Aberdeen City boundary. This is because Aberdeen has historically not experienced the same level of issues as other places when it comes to short-term lets (e.g. noise and disturbance resulting from concentrations of such premises). Officers will however keep this issue under review, and will revert back to Committee should this position change and the need to reconsider designation of a Short Term Let Control Area emerge.

#### Fees and Performance

- 3.10.8 Part 4, Section 41 of the Act alters the Town and Country Planning (Scotland) Act 1997 in respect of planning application fees. This section expands the Scottish Government's powers to make regulations about fees. In particular, it allows for discretionary charging and discounts/waivers, extends the range of services for which fees can be charged (including to Scottish Ministers), allows for a surcharge to be imposed for retrospective applications, and makes it possible for authorities to charge a higher fee for a premium service.

3.10.9 On 18 December 2019 the Scottish Government issued a consultation paper (Planning Performance and Fees) in respect of this Section. The closing date for the consultation is 14 February 2020 and a response will be submitted on behalf of Aberdeen City Council by the Chief Officer - Strategic Place Planning. It is recommended that, further to any new regulations being published following this consultation, any future decision on whether or not to charge discretionary planning fees would be considered through a Cost Benefit Analysis undertaken as part of the General Fund Revenue Budget process and the proposed budget for Strategic Place Planning.

#### Other Matters – Scheme of Governance Review

3.10.10 It is proposed that a decision on the following discretionary powers be delegated to the Chief Officer – Strategic Place Planning. This will be considered as part of the Scheme of Governance review, and recommended within the Powers Delegated to Officers when a Report on such is presented to the Council meeting on 2 March 2020:

- Applications for Local developments;
- Consent, agreement or approval required by a condition attached to a local development approval;
- Applications for approval required under a development order;
- Certificates of lawfulness of existing uses / Section 150/151 developments;
- Applications for advertisement consent;
- Changing Orders; and,
- Completion Notices (as amended).

3.10.11 All Powers Delegated to Officers (PDOs) have been reviewed to make sure they reflect any new requirements of the Planning (Scotland) Act 2019 known to Officers at this time. Terms of Reference have also been reviewed to consider any applicable changes required and will also be presented to Council in March 2020.

## **4. FINANCIAL IMPLICATIONS**

4.1 When the Planning (Scotland) Bill was first laid before Parliament on 5 December 2017 the Financial Memorandum accompanying it said that it presented a cost-neutral approach. During the Stage 2 and 3 debates, a number of new duties and responsibilities were however introduced into the Bill without identification of the resources required to undertake them.

4.2 As noted above, the Planning (Scotland) Act 2019 has placed a total of 49 new duties on planning authorities (Refer: Appendix 2). The Royal Town Planning Institute (RTPI) estimates that, across Scotland, the cost of implementing these could be between £12.1 million and £59.1 million over a ten-year period. An additional 40 duties have also been placed on the Scottish Government.

4.3 In relation to Aberdeen, assessments of the new legislation have been made which indicate the cost impact could be between £3 million and £8 million over the equivalent ten-year period. The exact cost will be dependent on whether there is a need to formally make all the designations available under the new Act, including those outlined under paragraph 3.10 above.

4.4 As noted above, on 18 December 2019 the Scottish Government issued a consultation paper on Planning Performance and Fees. Although only a draft for consultation, it is worth noting that the proposed increases alone will not cover the cost of the additional duties for planning authorities resulting from the Act. The consultation paper notes (on page 5) that:

*“Although research published by the RTPI has identified that the Planning Act will place additional duties on planning authorities, it is not the role of planning fees to cover those new duties unless they relate specifically to the determination of an application. However, it is noted that currently planning fees only account for on average 63% of the cost of determining an application. Therefore, we expect that closing that gap should free up resources for the remainder of the planning service.”*

4.5 The proposed budget for Strategic Place Planning for 2020/21 is due to be considered as part of the General Fund Revenue Budget at the Council Budget meeting on 3 March 2020. This proposed budget will be prepared in consideration of the new duties arising from the Act and the potential for an increase in planning application fees.

## 5. LEGAL IMPLICATIONS

5.1 The exact timeline for production of secondary legislation and guidance is not yet known, and therefore it is not currently possible to provide a detailed timeline for the implementation of all the Act’s various provisions. As discussed in paragraph 3.3 above, the Chief Officer - Strategic Place Planning will report back to this Committee any additional implications to Aberdeen City Council or decisions that need to be made resulting from the publication of additional secondary legislation / regulations by the Scottish Government.

## 6. MANAGEMENT OF RISK

Category	Risk	Low (L) Medium (M) High (H)	Mitigation
Financial	Risk associated with non-compliance with statutory requirements may be increased costs related to appeals	H	Consider how statutory functions can be adequately complied with to avoid legal action against the Council being taken.

<b>Category</b>	<b>Risk</b>	<b>Low (L) Medium (M) High (H)</b>	<b>Mitigation</b>
	and legal proceedings.		Further detail on mitigation will not be known until further guidance / Regulations from Scottish Government have been prepared.
<b>Legal</b>	Risk associated with refusal non-compliance with statutory requirements may be an increase in appeals and legal proceedings. There could also be increased risk with Scottish Ministers using their discretionary powers to instruct the Council to carry out the statutory requirements. This could have financial implications, as discussed above. There could also be a resource issue if additional appeals/legal proceedings were raised and if the Council had to respond reactively to any instructions from Scottish Ministers.	H	Consider how statutory functions can be adequately complied with to avoid legal action against the Council being taken.  Further detail on mitigation will not be known until further guidance / Regulations from Scottish Government have been prepared.
<b>Employee</b>	Non-compliance with statutory requirements could put employees in Strategic Place Planning in a difficult position,	H	Consider how statutory functions can be adequately complied with to ensure employees are retained and in a position to undertake their roles

<b>Category</b>	<b>Risk</b>	<b>Low (L) Medium (M) High (H)</b>	<b>Mitigation</b>
	<p>both ethically and professionally. There could also be an additional demand on Legal Services staff in supporting Strategic Place Planning Staff with advice. Additionally, there could be a further pressure on Legal Services staff in dealing with additional appeals and Legal proceedings occasioned by a refusal to comply with statutory requirements. Staff morale could decrease as a result.</p>		<p>effectively.</p> <p>Further detail on mitigation will not be known until further guidance / Regulations from Scottish Government have been prepared.</p>
<b>Customer</b>	<p>Our customers expect us to comply with statutory requirements. Non-compliance could cause significant reputational damage. It could damage the Council's position in terms of dealing with members of the public involved in the planning process whether as applicant or party submitting representation.</p>	H	<p>Consider how statutory functions can be adequately complied with in line with customer expectations.</p> <p>Further detail on mitigation will not be known until further guidance / Regulations from Scottish Government have been prepared.</p>
<b>Environment</b>	<p>The Act includes measures to contribute to</p>	H	<p>Consider how statutory functions can be adequately complied in</p>

<b>Category</b>	<b>Risk</b>	<b>Low (L) Medium (M) High (H)</b>	<b>Mitigation</b>
	tackling climate change and increasing the sustainable use of resources. Non-compliance with the Act could pose a threat to these measures.		order to ensure environmental provisions can be progressed.  Further detail on mitigation will not be known until further guidance / Regulations from Scottish Government have been prepared.
<b>Technology</b>	Work undertaken to support the progression of the Act and the Digital Planning Agenda is being progressed by the Scottish Government. Any technology risks should be considered in this context.	H	Consider how the Digital Planning agenda related to Council technology assets.  Further detail on mitigation will not be known until further guidance / Regulations from Scottish Government have been prepared.
<b>Reputational</b>	Non-compliance with the Act could cause serious reputational damage to the Council which could lead to an increase in risk of legal actions against the Council which could cause further reputational damage.	H	Consider how statutory functions can be adequately complied with in line with customer expectations.  Further detail on mitigation will not be known until further guidance / Regulations from Scottish Government have been prepared.



## 7. OUTCOMES

<b>Local Outcome Improvement Plan Themes</b>	
	<b>Impact of Report</b>
<b>Prosperous Economy</b>	<p>The Act includes many provisions which will impact on the Economy of Aberdeen in the context of the LOIP. In general terms the planning system supports the delivery of the Economy Stretch Outcomes by ensuring enough land is available for employment uses. Changes to the Development Plan system made by the Act will alter how such land is allocated in the future, for example in terms of timescales for review of the Local Development Plan.</p> <p>The full impact of the Act on the Stretch Drivers and Key Driver will be considered once further detail on the individual provisions of the Act is provided through additional guidance / Regulations.</p>
<b>Prosperous People</b>	<p>The Act includes many provisions which will impact on the People of Aberdeen in the context of the LOIP. The Act includes further opportunities to involve more people, and specifically young people, in the planning system. The Act also includes provisions to consider the health and wellbeing impact of new proposals and the housing need of the City's changing population trends.</p> <p>The full impact of the Act on the Stretch Drivers and Key Driver will be considered once further detail on the individual provisions of the Act is provided through additional guidance / Regulations.</p>
<b>Prosperous Place</b>	<p>The Act includes many provisions which will impact on the Place of Aberdeen in the context of the LOIP. By its nature the planning system is all about the creation and improvement of place. The Act also includes provision for enhanced food growing opportunities, as well as measures to try and address climate change and active travel priorities.</p> <p>The full impact of the Act on the Stretch Drivers and Key Driver will be considered once further detail on the individual provisions of the Act is provided through additional guidance / Regulations.</p>

<b>Design Principles of Target Operating Model</b>	
	<b>Impact of Report</b>
<b>Customer Service Design</b>	The additional duties placed on the Council by the Act will need to be considered in the context of Customer Service Design to ensure customer needs are fulfilled and digital strategies can be incorporated where possible.
<b>Organisational Design</b>	The Act requires greater connections between spatial and community planning, and the implications for Organisation Design will need to be considered in this context.
<b>Governance</b>	Governance structures, such as Powers Delegated to Officers and Terms of Reference, will need to be reviewed as the Act is enacted so as to ensure the most efficient and transparent ways of working.
<b>Workforce</b>	To be successful the Act will require an empowered and accountable workforce which is recognised and rewarded.
<b>Process Design</b>	As the Act is implemented a number of existing process will need to be re-examined to ensure they are fit for purpose.
<b>Technology</b>	The Act is to be supported by the Scottish Government's Digital Planning Agenda which may hold additional opportunities.
<b>Partnerships and Alliances</b>	Implementing the Act will require engagement with key stakeholders on collaborative solutions for the city and wider region.

## 8. IMPACT ASSESSMENTS

<b>Assessment</b>	<b>Outcome</b>
<b>Equality &amp; Human Rights Impact Assessment</b>	Not required
<b>Data Protection Impact Assessment</b>	Not required

<b>Duty of Due Regard / Fairer Scotland Duty</b>	Not applicable
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## 9. BACKGROUND PAPERS

The Planning (Scotland) Act 2019 – available via:

<http://www.legislation.gov.uk/asp/2019/13/contents/enacted>

Scottish Government; Planning: Post Bill Work Programme – available via:

<https://www.gov.scot/publications/transforming-planning-practice-post-bill-work-programme/>

RTPI Research Paper – Financial Implications of Implementing the Planning (Scotland) Act 2019 – available via:

[https://www.rtpi.org.uk/media/3447036/RTPI%20Scotland%20-%20Financial%20Implications%20of%20Implementing%20the%20Planning%20\(Scotland\)%20Act%202019.pdf](https://www.rtpi.org.uk/media/3447036/RTPI%20Scotland%20-%20Financial%20Implications%20of%20Implementing%20the%20Planning%20(Scotland)%20Act%202019.pdf)

The Planning (Scotland) Bill 2017: Policy Memorandum – available via:

[https://www.parliament.scot/S5\\_Bills/Planning%20\(Scotland\)%20Bill/SPBill23PMS052017.pdf](https://www.parliament.scot/S5_Bills/Planning%20(Scotland)%20Bill/SPBill23PMS052017.pdf)

## 10. APPENDICES

- Appendix 1 – The Planning (Scotland) Act 2019: Summary and Review Programme
- Appendix 2 – The Planning (Scotland) Act 2019: List of New Duties for Planning Authorities

## 11. REPORT AUTHOR CONTACT DETAILS

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## PLA-20-011 Appendix 1 - Planning (Scotland) Act 2019: Summary and Review Programme

On 21 June 2019 Members of the Scottish Parliament voted to pass the Planning etc (Scotland) Bill 2017, as amended. Royal Assent was subsequently received on 25 July 2019, and the formal title of the new legislation confirmed as the Planning (Scotland) Act 2019. The following provides a summary of the key provisions of the Act, as well as some discussion on what the Act could mean for Aberdeen City Council. The Scottish Government expect to implement most of the Act by early 2021. The Town and Country Planning (Scotland) Act 1997 remains the principle piece of primary legislation governing the use and development of land in Scotland.

Planning (Scotland) Act 2019 Part / Section	Title	Relevant Summary / Extract	What Does This Mean For Aberdeen City Council	Next Steps?
<b>Part 1, Section 2</b>	Purpose of Planning	<p><i>“The purpose of planning is to manage the development and use of land in the long term public interest.”</i></p> <p>Anything which contributes to sustainable development or achieves the national outcomes (set out in the Community Empowerment (Scotland) Act 2015) shall be considered as being in the long term public interest.</p>	To be noted.	This section of the Act came into force on 8 November 2019 (World Town Planning Day).
<b>Part 1, Sections 2, 12 and 13</b>	National Planning Framework	<p>The National Planning Framework will become part of the statutory Development Plan. It will continue to include National Developments.</p> <p>The content of the National Planning Framework has been expanded to include:</p> <ul style="list-style-type: none"> <li>- Targets for the use of land for housing</li> <li>- Meeting different housing needs, e.g. older and disabled people</li> <li>- Improving health and wellbeing</li> <li>- Increasing rural populations</li> <li>- Improving equality and eliminating discrimination</li> <li>- Meeting greenhouse gas reduction targets</li> <li>- Securing positive effects for biodiversity</li> </ul> <p>Scottish Ministers may direct planning authorities to provide detailed information and analysis about their area (listed below) in order to assist with the preparation of the National Planning Framework. Authorities working together to provide this information are to cooperate with one another.</p> <ul style="list-style-type: none"> <li>- Physical, cultural, economic, social, built heritage and environmental characteristics</li> <li>- Principle purposes for which land in the area is used</li> <li>- Size, composition and distribution of population</li> <li>- Housing needs</li> <li>- Capacity of education services</li> <li>- Capacity of health services</li> <li>- Health needs</li> <li>- Housing needs of older and disabled people</li> <li>- Whether land should be allocated for resettlement</li> </ul>	<p>In determining planning applications, the National Planning Framework becomes part of the Development Plan, so proposals must be in line with it unless material considerations justify otherwise.</p> <p>The National Planning Framework will include Scottish Planning Policy – so it is likely there will be “national” policies to be considered as part of any determination.</p> <p>In preparing Local Development Plans local authorities have to “take into account” the National Planning Framework, but there is no requirement for Local Development Plans to be consistent with it. If there is an incompatibility between the National Planning Framework and the Local Development Plan then whichever is later in date (i.e. most recent) prevails.</p>	<p>The next National Planning Framework (NPF4) must be in place by 23 June 2024, and then reviewed every 10 years (previously 5 years). It can be amended at any time, and further regulations on amending the National Planning Framework will be prepared.</p> <p>Scottish Government plan to publish a draft of NPF4 for public consultation in Quarter 3 of 2020, following a period of engagement earlier in 2020. The draft will be laid in Parliament for a period of up to 120 days to allow representations to be made, which will take until early 2021 to conclude. Taking account of representations made, the draft will be revised and must then be laid again for the Scottish Parliament’s approval before it can be adopted.</p> <p>Due to the Scottish Parliament elections in May 2021 the</p>

Planning (Scotland) Act 2019 Part / Section	Title	Relevant Summary / Extract	What Does This Mean For Aberdeen City Council	Next Steps?
		<ul style="list-style-type: none"> <li>- Infrastructure (communications, transport, drainage, water supply, energy (including land / facilities for renewables))</li> <li>- Any change expecting in anything listed above</li> <li>- Any other matter as prescribed</li> </ul> <p>There is no independent Examination of the National Planning Framework by Reporters. The National Planning Framework cannot however be adopted until a draft of it has been approved by resolution of the Parliament. Challenges to the National Planning Framework will be made to the Court of Session.</p>	The National Planning Framework is to "have regard to" any adopted Regional Spatial Strategy.	<p>Scottish Government expect the final version of NPF4 to be laid in Quarter 3 of 2021, and anticipate approval in Quarter 4 of 2021.</p> <p>Regulations on future amendment of the National Planning Framework will be considered by Scottish Government once the initial version is in place.</p>
<b>Part 1, Section 3</b>	Open Space Strategy	<p><i>"A planning authority is to prepare and publish an open space strategy".</i></p> <p>This strategy will need to set out a strategic framework for the development, maintenance and use of green infrastructure, and must contain an audit of existing provision, an assessment of current and future requirements and anything else considered appropriate by the authority.</p> <p>Ministers may set out in regulations further detail, for example how an authority may carry out an audit.</p>	Aberdeen City Council already have an Open Space Audit which is updated on a regular basis. This provision makes this document a requirement and, depending on what is contained in any later regulations, the content and method of preparing the current Open Space Audit/Strategy may need to be amended to ensure it is sufficient under this section.	<p>Continue to monitor existing Open Space Strategy and consider how lessons learnt during its preparation and review could be fed back to Scottish Government as part of any subsequent consultation on future regulations.</p> <p>No timescale for publication / review of Open Space Strategies has been provided in the Act – this will likely follow in any subsequent regulations.</p> <p>Regulations on open space strategies will be coordinated with Scottish Government work on local development plans (Quarter 4 of 2021).</p>
<b>Part 1, Sections 5 and 6</b>	Regional Spatial Strategies	<p><i>"A planning authority, or two or more such authorities acting jointly, are to prepare and adopt a regional spatial strategy"</i></p> <p>A Regional Spatial Strategy is defined as a long-term spatial strategy in respect of the strategic development of an area. It must be reviewed every 10 years where after authorities can choose to either replace the strategy, or publish a statement explaining why they have decided not to do so.</p> <p>The strategies must identify:</p>	The Regional Spatial Strategies will have less status than the current Strategic Development Plans (repealed by the Act) as they will not form part of the Development Plan. A Regional Spatial Strategy will however be a material consideration in decision making.	<p>A planning authority (or authorities working jointly) must adopt a Regional Spatial Strategy as soon as reasonably practice after this section of the Act comes into force.</p> <p>Guidance on Regional Spatial Strategies will be released by</p>

Planning (Scotland) Act 2019 Part / Section	Title	Relevant Summary / Extract	What Does This Mean For Aberdeen City Council	Next Steps?
		<ul style="list-style-type: none"> <li>- The need for strategic development</li> <li>- The outcomes to which strategic development will contribute</li> <li>- Priorities for the delivery of strategic development</li> <li>- Proposed locations for strategic development</li> </ul> <p>Strategic development is defined as “<i>development that is likely to have a significant impact on future development within the area of more than one planning authority</i>”.</p> <p>Before adopting a Regional Spatial Strategy, a Draft must be published for public comment.</p> <p>There is no independent Examination of a Regional Spatial Strategy by Reporters.</p>	<p>The approved Aberdeen City and Shire Strategic Development Plan will continue to form part of the Development Plan until it is replaced by the publication of the revised National Planning Framework.</p> <p>There is no requirement for the Local Development Plans to be consistent with the Regional Spatial Strategy, but both the National Planning Framework and the Local Development Plans must have regard to any Regional Spatial Strategy adopted for that area. Local Place Plans do not have to have any regard to a Regional Spatial Strategy.</p>	<p>the Scottish Government by Quarter 4 of 2021 at the latest. Meantime the Scottish Government will consult local authorities (and other appropriate parties) in preparing this guidance.</p>
<b>Part 1, Sections 7, 8, 9, 11, 12 and 13.</b>	Local Development Plan	<p>The Local Development Plan continues to form part of the statutory Development Plan, however it will move to a 10 year review cycle (currently 5 years).</p> <p>Amongst other things, the Local Development Plan will now need to consider / include:</p> <ul style="list-style-type: none"> <li>- The Local Outcomes Improvement Plan (LOIP) for the area</li> <li>- Targets for meeting housing needs and the needs / availability of housing for older people, disabled people and people in further and higher accommodation.</li> <li>- Statements on the planning authority’s policies and proposals on the provision of both public conveniences and water refill locations.</li> <li>- The health and education needs of the population and the likely effects of development and the use of land on those health and education needs.</li> <li>- The capacity of education services</li> <li>- The desirability of maintaining an appropriate number and range of cultural venues and facilities (including, but not limited to, live music venues).</li> <li>- Systems for the supply of water, energy (including from renewable sources), health and education facilities.</li> <li>- How disused railway infrastructure could be preserved for future public transport requirements</li> <li>- Opportunities for self build</li> <li>- The sufficiency of play opportunities</li> </ul>	<p>The Act makes significant changes to the approach to preparing Local Development Plans, with the aim of making them more effective, with greater community involvement and more focus on delivery.</p> <p>The move to a 10 year review cycle may risk the Local Development Plan becoming out-of-date. It may also mean that certainly for local communities and the development industry is reduced. Any opportunities to “trigger” a review of the Local Development Plan will therefore need to be carefully considered during the 10 year period.</p>	<p>The Scottish Government propose to lay regulations and publish guidance relating to Local Development Plans in Quarter 4 of 2021.</p> <p>Transitional arrangements are expected shortly to manage the changeover from current to new-style Local Development Plans, to minimise any repetition of work and to help inform authorities’ decisions regarding the preparation of plans.</p> <p>Guidance on effective community engagement in relation to the local development plans is also expected in due course. There are several linked aspects of the Act which focus particularly on the role of communities and the interests</p>

Planning (Scotland) Act 2019 Part / Section	Title	Relevant Summary / Extract	What Does This Mean For Aberdeen City Council	Next Steps?
		<p>Measures must also be taken to promote and facilitate children and young people (25 or under) in the preparation of the Local Development Plan.</p> <p>Action Programmes supporting the Local Development Plan will be renamed "Delivery Programmes".</p> <p>Before preparing a Local Development Plan, authorities must prepare an Evidence Report which must be submitted to Scottish Ministers, who will then appoint a person to determine whether it contains sufficient information to allow the authorities to continue with plan preparation. The previous requirement to prepare a Main Issues Report is repealed.</p> <p>Supplementary Guidance to a Local Development Plan will no longer form part of the statutory Development Plan.</p> <p>The need for the Proposed Local Development Plan to be subject to independent Examination remains.</p>		<p>of local people in the planning system. The Scottish Government intends to bring forward regulations and guidance on these as a package, and this is expected to be completed by Quarter 1 of 2021. Guidance on effective community engagement in Local Development Plans will be part of this wider package.</p> <p>Regulations on play sufficiency assessments will be coordinated with Scottish Government work on local development plans more generally.</p>
<b>Part 1, Section 8</b>	Self Build Housing	<p>"A planning authority are to prepare and maintain a list of persons who have registered interest with the authority with the intention of acquiring land in the authority's area for self-build housing". This list must then be published.</p>	<p>When this provision is enacted a list will need to be prepared, maintained and published.</p>	<p>Guidance on maintaining lists of persons seeking land for self-build housing will flow on from the current pilots across Scotland and is expected to be published by Quarter 4 of 2020.</p>
<b>Part 1, Section 14</b>	Local Place Plans	<p>Before preparing a Local Development Plan a planning authority is to invite community bodies in their district to prepare a Local Place Plan.</p> <p>Local Place Plans are defined as "a proposal as to the development or use of land". In preparing an Local Place Plan, the community must have regard to the Local Development Plan, National Planning Framework and anything else prescribed by Regulations.</p> <p>Authorities must keep a register of valid Local Place Plans. This must include a map of the areas to which Local Place Plans relate. A planning authority can decide not to register a Local Place Plan on the basis that it is not valid.</p> <p>Scottish Ministers are to review and report on the introduction of Local Place Plans after 7 years.</p>	<p>Although a direct invitation must be prepared when the Local Development Plan is prepared, Local Place Plans can in theory be prepared and submitted to local authorities at any time.</p> <p>In Aberdeen we are aware of a number of Community Councils / local groups who have either already started or are actively considering how to prepare a Local Place Plan for their area.</p>	<p>There are several linked aspects of the Act which focus particularly on the role of communities and the interests of local people in the planning system. The Scottish Government intends to bring forward regulations and guidance on these as a package, and this is expected to be completed by Quarter 1 of 2021. Regulations and guidance on Local Place Plans will be part of this wider package.</p> <p>In the meantime, a "How To" guide is being jointly prepared</p>



Planning (Scotland) Act 2019 Part / Section	Title	Relevant Summary / Extract	What Does This Mean For Aberdeen City Council	Next Steps?
				to guide local community bodies who wish to begin preparing Local Place Plans now. This can then be used to inform any consultation to the expected content of Local Place Plans that will be led by the Scottish Government.
<b>Part 2, Sections 15 and 16</b>	Masterplan Consent Areas	<p>A Masterplan Consent Area scheme acts as a grant of authorisation for carrying out development as specified.</p> <p>Authorisation is granted subject to conditions, limitations and expectations specified in the scheme and any related regulations. It may specify self build housing developments</p> <p>“Authorisation” means:</p> <ul style="list-style-type: none"> <li>- Planning permission</li> <li>- Consent to construct a new road or extension to an existing road</li> <li>- Authorisation of works to a listed building</li> <li>- Authorisation for works in relation to a building in a conservation area.</li> </ul> <p>Schemes will operate for no more than 10 years and should be reviewed at least once every five years. The authority must consider at least once every five years whether a scheme is required, or if an existing scheme should be altered. The process must be published in a statement which sets out the reasons for the decisions taken.</p> <p>Public consultation is required, and provision is included for potential hearing sessions. Scottish Ministers can direct planning authorities to make or alter a scheme and have “call in” powers / local inquiry sessions can be arranged.</p> <p>Places that cannot be included in a scheme include:</p> <ul style="list-style-type: none"> <li>- European sites of conservation / natural habitats etc</li> <li>- Marine protected areas</li> <li>- National scenic areas</li> <li>- Ramsar sites</li> <li>- SSSIs</li> <li>- World Heritage Sites</li> </ul> <p>Powers to make any new Simplified Planning Zones are repealed.</p>	Historically no Simplified Planning Zones (the closest equivalents under the current system) have been progressed in Aberdeen.	Further regulations on Masterplan Consent Areas are expected to be in place by Quarter 4 of 2021.

Planning (Scotland) Act 2019 Part / Section	Title	Relevant Summary / Extract	What Does This Mean For Aberdeen City Council	Next Steps?
<b>Part 3, Section 17</b>	Short Term Let Control Areas	<p>This section allows local authorities to designate Short Term Let Control Areas, within which the use of a dwellinghouse for short term letting is deemed to involve a material change of use, and therefore always needs planning permission.</p> <p>This would not apply to private residential tenancies (under the Private Housing Act) or where the dwelling house is the only or principal home of the landlord.</p> <p>Ministers have powers to make regulations about what constitutes a short term let and any exemptions, and about the procedures for designating a control area.</p>	Aberdeen has historically not experienced the same level of issues as other places when it comes to short-term lets, but Officers will keep this under review.	<p>Further regulations on Short Term Let Control Areas are expected by Quarter 4 of 2020.</p> <p>In preparing these regulations the Scottish Government will draw on the responses to the recent Scottish Government consultation on the regulation of short term letting.</p>
<b>Part 3, Section 18</b>	Pre-Application Consultation	<p>Changes to alter Sections 35A and 35B of the Town and Country Planning (Scotland) Act 1997 in respect to the pre-application process.</p> <p>In summary:</p> <p>Pre Application consultation procedures may not be required in circumstances specific by Scottish Ministers in further regulation.</p> <p>Planning applications must be submitted within 18 months from the submission of a Proposals of Application Notice.</p> <p>Pre Application consultation reports should include content as may be prescribed in further regulations.</p>	The move to limit the submission of an application to 18 months after the Proposal of Application Notice is submitted should increase certainty for both local communities and the planning authority as to whether a developer is intending to continue with a proposal. It will also ensure that public consultation undertaken with a community is relevant and up to date at the time of submission.	There are several linked aspects of the Act which focus particularly on the role of communities and the interests of local people in the planning system. The Scottish Government intends to bring forward regulations and guidance on these as a package, and this is expected to be completed by Quarter 1 of 2021. Changes to pre-application consultation with local communities in relation to major developments will be part of this wider package.
<b>Part 3, Section 19</b>	Assessment of Health Effects	<p><i>“Scottish Ministers must make provision about the consideration to be given, before planning permission for a national development or a major development is granted, to the likely health effects of the proposed developments”</i></p>	<p>Impacts on human health are already considered by the Planning Authority as part of Environmental Impact Assessments (EIAs), however the criteria for requiring EIA do not align exactly with the definition of national and major developments.</p> <p>Upon enactment the health impact of certain development will need to be considered for these categories. It is expected that this could include a requirement for a Health Impact Assessment.</p>	<p>The Scottish Government has committed to carrying out a health assessment of all national developments as part of the preparation of the next National Planning Framework, and will use this as a test-bed to develop a methodology which can subsequently be put into regulations.</p> <p>Those regulations will be taken forward alongside the development planning regulations, to be completed by Quarter 4 of 2021.</p>

Planning (Scotland) Act 2019 Part / Section	Title	Relevant Summary / Extract	What Does This Mean For Aberdeen City Council	Next Steps?
			Assessing any health impact / Health Impact Assessment would ideally be undertaken in partnership with partners such as NHS Grampian and the Health & Social Care Partnership, and early discussions with these groups have begun.	The Scottish Government is planning a new national public health body named "Public Health Scotland" to be set up from April 2020.
<b>Part 3, Section 20</b>	Section 42 Applications	Changes to alter Section 42 of the Town and Country Planning (Scotland) Act 1997 in respect to Section 42 applications.  In summary:  <i>"Scottish Ministers may by regulations or a development order make special provisions as regards the procedure to be followed in connection with such applications."</i>	The process of assessing Section 42 applications will continue until any such regulations or development order indicated by this provision are published.	Further guidance from Scottish Government on Section 42 application is expected by Quarter 2 of 2021.
<b>Part 3, Section 22 and 38</b>	Declining to determine an application	Changes to alter Section 39 of the Town and Country Planning (Scotland) Act 1997 in respect to declining to determine an application.  In summary:  The time periods in this section are changed to read "5 years" from the previous "2 years". As an example, a planning authority may decline to determine an application for planning permission if in the period of 5 years the Scottish Ministers have refused a similar application or have dismissed an appeal against the refusal of permission, or if the planning authority have refused more than one similar application.  The Scottish Ministers must publish guidance outlining what constitutes a "similar application" and a "significant change" for the purposes of Section 39.	This section should reduce the number of repeat applications that the planning authority is expected to assess, as a repeat application will only now be considered after a 5 year period rather than a 2 year period.	Further regulations on the terms "similar application" and a "significant change" expected from the Scottish Government by Quarter 1 of 2021.
<b>Part 3, Section 23</b>	Notification of Planning Applications	Where applications for major development are made, the planning authority must give notice to:  <ul style="list-style-type: none"> <li>- Each councillor of the local authority relevant for the district to which the application relates</li> <li>- Relevant Member of Scottish Parliament for the district to which the application relates</li> <li>- Relevant Member of the House of Commons for the district to which the application relates</li> </ul>	This section increases the number of parties notified by the planning authority when a planning application for a major development is made. This will need to be taken into account during the registration / validation of such applications.  Regulations commence this provision for all applications received by the authority on or after 1 March 2020.	The Scottish Government have advised that this provision will be brought into force in Quarter 1 of 2020, to allow planning authorities time to amend their procedures and standing orders.

Planning (Scotland) Act 2019 Part / Section	Title	Relevant Summary / Extract	What Does This Mean For Aberdeen City Council	Next Steps?
<b>Part 3, Section 24</b>	Assessment of Environmental Effects – Biodiversity	<p>Changes to alter Section 40 of the Town and Country Planning (Scotland) Act 1997 in respect to assessing environmental effects.</p> <p>In summary:</p> <p>“Environmental Effects” will now include effects on biodiversity – this includes the net positive effects on biodiversity that would be likely to result from the development.</p>	<p>Section 40 of the Town and Country Planning (Scotland) Act relates to the power of the Secretary of State to make regulations about the consideration to be given, before planning permission is granted, to the likely environmental effect of a proposed development. The amendments to this section ensures that the effects of biodiversity are considered as a part of this process.</p>	<p>The current (2017) regulations already require the consideration of impacts on biodiversity; and the Scottish Government have advised that they have no immediate plans to update these regulations.</p> <p>This provision will be commenced in Quarter 4 of 2019, and no further action from the Scottish Government is expected.</p>
<b>Part 3, Section 25</b>	Noise-Sensitive Developments (Agent of Change)	<p>In considering applications for “noise sensitive developments” planning authorities must consider whether the development includes sufficient measures to mitigate, minimise or manage the effect of noise between the development and any existing cultural venue or facilities (including in particular, but not limited to, live music venues), or dwellings or businesses in the vicinity of the development.</p> <p>A “noise sensitive development” is defined as a development where residents or occupiers are likely to be affected by significant noise from existing activity in the vicinity of the development (a “noise source”).</p> <p>Planning authorities may not impose a condition on noise source developments as part of consents for noise sensitive developments (e.g. to mitigate, minimise or manage the effects of noise).</p>	<p>New development near a noise generating source can give rise to problems for the established noisy use. These requirements reflect the advice given in the Chief Planner letter issued on 16 February 2018 (Agent of Change) to ensure that more up-front consideration is given to the consequences of approving noise sensitive development in such locations.</p> <p>Regulations commenced this provision for all applications received by the authority on or after 20 December 2019.</p>	<p>These requirements were brought into force in Quarter 4 2019.</p> <p>The next National Planning Framework will also include explicit policy guidance on the Agent of Change principle, recognising the need to support live music venues and their contribution to Scottish culture and society.</p>
<b>Part 3, Section 26</b>	Provision of (Changing Places) Toilet Facilities	<p>A planning authority may grant planning permission for the developments listed below only on condition that the development includes at least one (changing places) toilet facility suitable for adults with complex care needs:</p> <ul style="list-style-type: none"> <li>- School, college or university</li> <li>- Community centre, sports and leisure centre, or similar public building</li> <li>- Hospital or other facility for the provision of health services</li> <li>- Retail outlet with a gross floor area is or exceeding 10,000 square metres</li> <li>- Cultural centre, such as a museum, concert hall or art gallery</li> <li>- Stadium or large auditorium</li> <li>- Major transport terminus or interchange</li> <li>- Motorway service facility</li> </ul>	<p>Advice from the Building Standards Team will be sought in assessing the suitability of proposals for Changing Places toilets in line with this requirement.</p>	<p>The Scottish Government will bring forward regulations in Quarter 4 of 2019 to align the requirements in the Planning Act with the Building Regulations technical guidance which was published on 12 July 2019.</p>

Planning (Scotland) Act 2019 Part / Section	Title	Relevant Summary / Extract	What Does This Mean For Aberdeen City Council	Next Steps?
		Ministers have powers to make regulations to adjust the types of development covered and the specification for the toilet facility.		
<b>Part 3, Section 27</b>	Delegation of Development Decisions	This section repeals the requirement for Full Council to make decisions on applications where there has been a pre-determination hearing.	The change will apply to all applications that fall to be determined on or after 1 March 2020, including those where the pre-determination hearing has been held before that date.	This provision will be brought into force in Quarter 1 of 2020, to allow planning authorities time to amend their procedures and standing orders.
<b>Part 3, Section 28</b>	Schemes of Delegation	<p>A planning authority must prepare a scheme of delegation which sets out that the following applications will be determined by an “appointed person”:</p> <ul style="list-style-type: none"> <li>- Applications for Local developments</li> <li>- Consent, agreement or approval required by a condition attached to a local development approval</li> <li>- Applications for approval required under a development order</li> <li>- Certificates of lawfulness of existing uses / section 150/151 developments</li> <li>- Applications for advertisement consent</li> </ul> <p>A planning authority may however, if they think fit, decide themselves to determine an application noted above. In such cases they must into in the decision a statement of the reason made.</p> <p>A planning authority may not delegate the determination of applications falling within this section to an Officer otherwise than in accordance with a scheme of delegation prepared under this section.</p> <p>Scottish Ministers may make further provision about the required form and content of a scheme of delegation by regulations. This may include providing Scottish Ministers with a draft of a scheme of delegation or any proposed changes, and making any modifications specified by Ministers before adopting a scheme.</p> <p>Scottish Ministers may also prepare regulations on the review of decisions made by an appointed person.</p>	Changes to the Powers Delegated to Officers to be reviewed as a result of this section.	The Scottish Government will consider whether any changes are needed to the existing regulations, aiming to lay these in Quarter 3 of 2021.
<b>Part 3, Section 29 and 49</b>	Call-In for Applications	The Scottish Ministers must lay before the Scottish Parliament and publish (...) a statement setting out the circumstances in which they consider it appropriate to “Call In” an application for consideration	This is already done by Scottish Ministers in practice.	This provision will be commenced in Quarter 4 of 2019, and no further action from the Scottish Government is expected.

Planning (Scotland) Act 2019 Part / Section	Title	Relevant Summary / Extract	What Does This Mean For Aberdeen City Council	Next Steps?
<b>Part 3, Section 30</b>	Determination of Application Statement	<i>“The notice of the planning authority’s decision on an application must include a statement as to whether the authority consider that the application is for development that is in accordance with the development plan for the time being applicable to the area which the application relates together with an explanation of why the authority have reached that view.”</i>	Decision notices for planning permission already include a “Reason for Decision” section which references the relevant Aberdeen Local Development Plan policies. This section will be reviewed in this context.  This change will apply to all decision notices issued on or after 1 March 2020, regardless of when the decision is made.	This provision will be brought into force in Quarter 1 of 2020, to allow planning authorities time to amend their procedures and standing orders.
<b>Part 3, Section 31</b>	Period Before Appeals	Changes to alter Section 47 of the Town and Country Planning (Scotland) Act 1997 in respect to the period before which an appeal can be made.  In summary this section updates the primary Act in respect of changes to the Schemes of Delegation discussed above (Part 3, Section 28).	Where a local review for a decision made under delegated powers (see list under Section 28 above) is not determined timeously, the applicant may appeal to the Scottish Ministers.	The Scottish Government will consider whether any changes are needed to the existing regulations, aiming to lay these in Quarter 3 of 2021.
<b>Part 3, Section 32</b>	Duration of Planning Permission	Changes to alter Sections 41, 58, 59 and 60 of the Town and Country Planning (Scotland) Act 1997 in respect to duration of planning permissions.  In respect of Section 41 (Conditional Grant of Planning Permission) - A condition could be imposed for identifying (whether by means of a specified time period or otherwise) when the applicant may be required to make an application for a consent, agreement or approval, or carry out some other action in connection with the permission or development.  In respect of Section 58 (Duration of Planning Permission) – for developments to be granted planning permission, this must be subject to a condition that the development begin no later than the expiration of 3 years beginning on the date on which permission is granted, or such other period (whether longer or shorter) that the authority may specify. If no such condition is included, the 3 year period is assumed. If development has not begun at the expiration of the noted period (be this 3 years or as otherwise stated) the planning permission will lapse. This would not apply to Masterplan Consent Zone schemes or decision for planning permission in principle (see below).  In respect of Section 59 (Planning Permission in Principle) - for developments to be granted planning permission in principle, this must be subject to a condition that the development begin not later than the expiration of 5 years beginning on the date on which permission is granted, or such other period (whether longer or shorter) that the authority may specify. If no such condition is included, the 5 year period is assumed. If development has not begun at	This section changes the arrangements for setting the duration of various planning permission and for challenging a notice requiring development to be completed.	The Scottish Government intend to issue guidance on how to consider appropriate duration by Quarter 1 of 2021.

Planning (Scotland) Act 2019 Part / Section	Title	Relevant Summary / Extract	What Does This Mean For Aberdeen City Council	Next Steps?
		<p>the expiration of the noted period (be this 5 years or as otherwise stated) the planning permission in principle will lapse.</p> <p>In respect of Section 60 (Provisions Supplementary to Sections 58 and 59) - where a planning authority grants planning permission, the fact that any of the conditions of the permission are required by the provisions of section 58 or 59 to be imposed, or are deemed by those sections to be imposed, does not prevent the conditions being the subject of a review under section 43AC or an appeal under section 47.</p>		
<b>Part 3, Section 33</b>	Completion Notices (Termination of Planning Permissions)	<p>Changes to alter Sections 61 and 62 the Town and Country Planning (Scotland) Act 1997 in respect to completion notices.</p> <p>In summary, a completion notice (termination of planning permission by reference to time limit) must state that the person on whom it is served may lodge an objection and specify the date on which the notice will take effect if no objection is lodged. This date must be at least 28 days after the date the notice is served.</p> <p>If an objection is lodged, the planning authority must give notice to every person served with the completion notice and Scottish Ministers. Scottish Ministers must give notice of their decision as to whether or not to confirm the completion notice, and if a notice is confirmed they may substitute a longer timeframe until the planning permission is to cease to have effect.</p>	These sections amend an existing power of the planning authority to serve a completion notice if the authority is of the opinion that a development will not be completed within a reasonable time frame (where development has already begun). This is a tool that the authority may choose to use on stalled sites.	Regulations or guidance in relation to changes to development management provisions are expected to be put in place by the Scottish Government by Quarter 1 of 2021.
<b>Part 3, Sections 34, 35, 37 and 36</b>	Planning Obligations	<p>Changes to alter Sections 34, 36, 75, 75A and Section 75B of the Town and Country Planning (Scotland) Act 1997 in respect to planning obligations.</p> <p>In summary:</p> <p>A planning obligation is now defined as an obligation which a) restricts or regulates the development or use of land, or b) requires the payment of a specified amount or periodic sums either indefinitely or for a specified period.</p> <p>Planning obligations (and any subsequent modifications / discharges of such) are to be published in such a manner that they are brought to the attention of residents of the area to which the obligation relates.</p> <p>A planning obligation may not be modified or discharged except by agreement <i>in writing</i> between the planning authority and the person(s) against whom the obligation is enforceable.</p> <p>If in considering an application to modify or discharge an obligation the authority proposes to discharge or modify something not being sought by the application, they must obtain the applicant's consent before making the</p>	These sections introduce changes to arrangements for modifying or discharging planning obligations and now specifies that this must be done in writing.	Regulations or guidance in relation to changes to development management provisions are expected to be put in place by the Scottish Government by Quarter 1 of 2021.

Planning (Scotland) Act 2019 Part / Section	Title	Relevant Summary / Extract	What Does This Mean For Aberdeen City Council	Next Steps?
		<p>determination. Notice of determinations must be given to both the applicant and any non-applicant against whom the planning obligation is enforceable. The same applies should Scottish Minister consider an appeal of any such application.</p> <p>As soon as reasonably practical after the end of each financial year a planning authority is to prepare a publish an annual planning obligations report. This should detail:</p> <ul style="list-style-type: none"> <li>- the number of planning obligations: entered into that year; entered into in a previous year and not yet expired; and, entered into in a previous year and not yet complied with.</li> <li>- the development to which each planning obligation relates</li> <li>- the name of the person who has entered into the agreement</li> </ul>		
<b>Part 3, Section 39</b>	Withdrawal of Planning Permission by Development Order	<p>Changes to alter Section 77 of the Town and Country Planning (Scotland) Act 1997 in respect to compensation for withdrawal.</p> <p>This section provides for Ministers to make regulations about the payment of compensation where planning permission granted by a development order is withdrawn, and an application subsequently made for permission that would have been granted by that order is refused.</p>	This is not a regular occurrence.	The Scottish Government recognises that this is a complex area and have committed to starting work on this now, with the aim to put regulations in place by Quarter 1 of 2021.
<b>Part 4, Section 40</b>	Mediation	<p>Changes to alter Section 268 of the Town and Country Planning (Scotland) Act 1997 in respect to mediation.</p> <p>Scottish Ministers may issue (vary or revoke) guidance in relation to the promotion and use of mediation in relation to:</p> <ul style="list-style-type: none"> <li>- preparation of a local development plan and related evidence reports</li> <li>- pre application consultation</li> <li>- determination of applications for planning permission</li> <li>- any other matter considered appropriate.</li> </ul> <p>Local authorities must have regard to this guidance. "Mediation" is defined as <i>"any means of exploring, resolving or reducing disagreement between persons involving an impartial person that the Scottish Ministers consider appropriate"</i></p>	Existing guidance from the Scottish Government on mediation will continue to be used until new guidance comes forward.	<p>There are several linked aspects of the Act which focus particularly on the role of communities and the interests of local people in the planning system. The Scottish Government intends to bring forward regulations and guidance on these as a package, and this is expected to be completed by Quarter 1 of 2021. Guidance on the promotion and use of mediation in planning will be part of this wider package.</p> <p>Guidance on mediation must be consulted on and be issued within two years of the Act receiving Royal Assent.</p>



Planning (Scotland) Act 2019 Part / Section	Title	Relevant Summary / Extract	What Does This Mean For Aberdeen City Council	Next Steps?
<b>Part 4, Section 41</b>	Fees for Planning Applications	<p>Changes to alter Section 252 of the Town and Country Planning (Scotland) Act 1997 in respect to planning application fees.</p> <p>In summary, this section expands the powers to make regulations about fees. In particular, it allows for discretionary charging and discounts/waivers, extends the range of services for which fees can be charged (including to Scottish Ministers), allows for a surcharge to be imposed for retrospective applications, and makes it possible for authorities to charge a higher fee for a premium service.</p>	Existing fee structure will continue but may be reviewed when further regulations from the Scottish Government come forward.	<p>The Scottish Government have committed to bringing forward proposals for substantial changes to the fees structure, with the aim of having early clarity around costs and resources, and the new fee arrangements in place in Quarter 2 of 2020.</p> <p>A consultation document on Performance and Fees was published by the Scottish Government on 18 December 2019.</p>
<b>Part 4, Sections 42, 43 and 44.</b>	Enforcement	<p>Changes to alter Sections 126, 135, 136, 138, 144, 144C, 145, 158A and 186 of the Town and Country Planning (Scotland) Act 1997 in respect to enforcement matters.</p> <p>In summary, these sections introduce provision for Charging Orders, allowing planning authorities to place a charge on the property to recover the costs of taking direct action to implement the requirements of an enforcement notice.</p> <p>Fines for when enforcement notice not complied with to rise from £20,000 to £50,000. Fine for Temporary Stop Notice offences to rise from £20,000 to £50,000.</p> <p>Enforcement Charters are to contain a statement in relation to the planning authority's monitoring of compliance with planning permissions for major developments.</p>	<p>Existing provisions / procedures around Enforcement to be considered in line with these sections.</p> <p>Provision to increase the scale of fines for breaches of planning control to be noted and considered.</p> <p>New fines under Section 42 will apply to any offence committed in relation to a notice which is served on or after 20 December 2019.</p> <p>Planning authorities are already required to have an Enforcement Charter setting out; its enforcement policies, guidance on reporting breaches of planning control and procedures for complaints. Amendments to our existing Enforcement Charter in line with this section could be considered in advance of the implementation date.</p>	<p>Increased fines for failing to comply with an enforcement order will be brought into effect in Quarter 4 of 2019, together with requirements for courts to consider the financial benefit gained from the breach of planning control when setting the level of fines.</p> <p>Regulations on the forms for registering and discharging charging orders will be provided by Quarter 4 of 2020, together with guidance for local authorities on the new powers.</p> <p>The requirement for planning authorities' enforcement charters to include a statement on the authority's monitoring of compliance with planning permission for major developments will be brought into force by Quarter 1 of 2021, together with guidance on such monitoring.</p>

Planning (Scotland) Act 2019 Part / Section	Title	Relevant Summary / Extract	What Does This Mean For Aberdeen City Council	Next Steps?
<b>Part 4, Section 45</b>	Member Training	Regulations to be produced by Scottish Ministers in relation to Member training. Members who have not fulfilled the specified training requirements will be prohibited from taking part in exercising planning authority functions etc.	Training on the planning system is already offered by Officers to ACC Elected Members, however the content of this may need to be reviewed in line with subsequent regulations / guidance.	The Scottish Government will begin working on regulations in Quarter 1 of 2021, and these will be in place before the Scottish local government elections in May 2022.
<b>Part 4, Sections 46 and 47</b>	Monitoring of Planning Authority Performance	<p><i>“As soon as reasonably practicable after the end of each financial year, a planning authority are to prepare a report on the performance of their functions (...) during that year”</i></p> <p>Regulations will follow on the form of the report and its content, as well as the process to be undertaken in its preparation. The report will ultimately be submitted to Scottish Ministers and published.</p> <p>Scottish Ministers may also appoint a person (“the co-ordinator”) to monitor and provide advice on the performance of planning authorities and their functions. Regulation will provide further detail on the appointment and functions of this person.</p>	This provision demonstrates a wider recognition that good planning performance is about more than procedural efficiency. Aberdeen City Council already report on planning performance annually via the Planning Performance Framework. This section brings performance reporting into statute.	<p>The Scottish Government will continue to work with the High Level Group on Planning Performance to define how performance should be measured, with a view to making regulations on the annual reporting of performance by Quarter 4 of 2020.</p> <p>A National Planning Improvement Co-ordinator should be appointed by Quarter 2 of 2020. The Co-ordinator will become a member of the High Level Group.</p> <p>A consultation document on Performance and Fees was published by the Scottish Government on 18 December 2019.</p>
<b>Part 4, Section 50</b>	Chief Planning Officer	<p>Each planning authority must have Chief Planning Officer</p> <p>The role of the Chief Planning Officer is to advise the authority on the functions conferred on them by virtue of the planning Acts and, and functions conferred on them by any other relevant enactment.</p> <p>Scottish Ministers must issue guidance concerning the role of an authority’s Chief Planning Officer. This may include guidance on necessary appropriate qualifications and experience.</p>	Aberdeen City Council currently have a Chief Officer for Spatial Place Planning and a Development Management Manager. It is intended that the appointment of Chief Planning Officers in all authorities will support improved performance and enhance the ability of planning to support outcomes across the authority.	The Scottish Government propose to issue guidance on the role of Chief Planning Officers by Quarter 4 of 2020.

Planning (Scotland) Act 2019 Part / Section	Title	Relevant Summary / Extract	What Does This Mean For Aberdeen City Council	Next Steps?
<b>Part 4, Section 51</b>	National Scenic Areas	In any year where Scottish Ministers have designated a National Scenic Area they are to prepare and publish a report on the consultation undertaken in regard to the designation.	Ministers must consult local residents and community bodies before designating a National Scenic Area, and report on consultation. No National Scenic Areas currently exist within the Aberdeen City boundary, and we are not aware of any plans to designate any future areas of this type.	This provision will be commenced in Quarter 4 of 2019, and no further action from the Scottish Government is expected.
<b>Part 4, Section 52</b>	Notice by Planning Authority of Applications for Listed Building Consent	<p>Changes to alter Section 9 of the Planning (Listed Buildings and Conservation Areas) (Scotland) Act 1997 in respect to notification of applications for listed building consent.</p> <p>In summary, regulations may specify any changes to neighbour notification in relation to listed building consent whereby the planning authority would undertake the notification for such.</p>	If regulations were to amended to require planning authorities to neighbour notification on applications for listed building consent then this would impact resources in Strategic Place Planning.	The Scottish Government have committed to considering whether any changes to existing regulations would be appropriate by Quarter 1 of 2021.
<b>Part 4, Section 53</b>	Forestry and Woodland Strategy	<p><i>"A planning authority are to prepare a forestry and woodland strategy"</i>. Two or more authorities may act jointly.</p> <p>A forestry and woodland strategy is to-</p> <ul style="list-style-type: none"> <li>- identify woodlands of high nature conservation value in the planning authority's area; and</li> <li>- set out the policies and proposals in their area as to: <ul style="list-style-type: none"> <li>- the development of forestry and woodlands</li> <li>- the protection and enhancement of woodlands, particularly those of high nature conservation value</li> <li>- the resilience to climate change, again particularly those of high nature conservation value</li> <li>- the expansion of woodlands of a range of types to provide multiple benefits to the physical, cultural, economic, social and environmental characteristics of the area.</li> </ul> </li> <li>- Any other matter considered appropriate</li> </ul> <p>In preparing such a strategy the planning authority are to consult with Scottish Ministers, relevant organisations to the list of matters above, and other persons considered appropriate. The strategy must be published in an appropriate manner.</p>	The Aberdeen City Tree and Woodland Strategy has been finalised and will be presented to Committee in due course.	This provision commenced in Quarter 4 of 2019, and no further action from the Scottish Government is expected.
<b>Part 5, Sections 54, 55, 56, 57 and 58 and Schedule 1</b>	Infrastructure Levy	<p><i>"The Scottish Ministers may be regulations establish, and make provision about, an infrastructure levy"</i>.</p> <p>An infrastructure levy is a levy:</p>	Detail on the Infrastructure Levy is still unclear. Any infrastructure levy would however supplement the existing planning obligations arrangements.	The Scottish Government intend to bring forward a package of proposals that addresses how local authorities can effectively

Planning (Scotland) Act 2019 Part / Section	Title	Relevant Summary / Extract	What Does This Mean For Aberdeen City Council	Next Steps?
		<ul style="list-style-type: none"> <li>- Payable to a local authority</li> <li>- In respect if development wholly or partly within the authority’s area</li> <li>- The income from which is to be used by local authorities to fun, or contribute towards funding, infrastructure projects.</li> </ul> <p>Further regulations will follow and may set out (amongst other things):</p> <ul style="list-style-type: none"> <li>- The kinds of development to which the levy can be applied</li> <li>- Who is liable to pay the levy</li> <li>- When the liability to pay arises</li> <li>- The amount to be paid / or how it is to be calculated.</li> <li>- Whether relief can be applied to / from planning obligations</li> <li>- Local exemptions</li> <li>- Methods of collection</li> <li>- Penalties to be imposed, including powers of entry / powers to seize things in investigating liability.</li> <li>- Accounting requirements</li> <li>- Ability to stop development when the levy is not paid</li> </ul> <p>An appeals process (to Scottish Ministers) may also be established through regulation. This may allow an appeal against a decision on whether is levy is payable / the amount that is payable. There may be a fee for this appeal process.</p> <p>Scottish Ministers may also issue guidance on the levy, and local authorities must have regard to any such guidance.</p> <p>The term “infrastructure” includes:</p> <ul style="list-style-type: none"> <li>- Communications, transport, drainage, sewerage and flood-defence systems</li> <li>- Systems for the supply of water and energy</li> <li>- Green and blue infrastructure (meaning features of the natural and built environments (including water) that provide a range of ecosystem and social benefits)</li> <li>- Educational and medical facilities</li> <li>- Facilities and other places for recreation</li> </ul> <p>Scottish Ministers can change or clarify the meaning of infrastructure through regulations.</p> <p>“infrastructure project” is a project to provide, maintain, improve or replace infrastructure.</p>	<p>The legislation, if brought into being, expands the types of infrastructure that are (partially) funded/ delivered by the planning obligations and allows for levy funds to be used for the maintenance and repair of existing infrastructure. The current legislation prevents developer obligations funds from being utilised for the maintenance or replacement of existing infrastructure.</p> <p>The Act does not specify whether local authorities will have the opportunity to opt out of an infrastructure levy.</p> <p>The Scottish Government have indicated that they remain interested in the concept of capturing land value uplift, and using that to fund infrastructure.</p>	<p>assemble land, tackle problem properties and capture land value uplifts ready for the next administration to consider. They do not expect to legislate on these issues in this Parliament, but will commit to engaging with local authorities, the Scottish Land Commission, the Scottish Futures Trust, and industry representatives, to explore all options available.</p>

Planning (Scotland) Act 2019 Part / Section	Title	Relevant Summary / Extract	What Does This Mean For Aberdeen City Council	Next Steps?
		The regulation-making power conferred will cease to be exercisable if no regulations have been made under it within the period of 7 years from the date of Royal Assent (25 July 2019).		

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## PLA-20-011 Appendix 2 - Planning (Scotland) Act 2019: List of New Duties for Planning Authorities

The table below sets out the new duties arising from the Planning (Scotland) Act 2019 for Planning Authorities. It has been taken from Section 4 of a Research Paper undertaken by the Royal Town Planning Institute (RTPI) in Scotland, entitled "Financial Implications of Implementing the Planning (Scotland) Act 2019", and the figures quoted are for Scotland as a whole.

The Research Paper is available via:

[https://www.rtpi.org.uk/media/3447036/RTPI%20Scotland%20-%20Financial%20Implications%20of%20Implementing%20the%20Planning%20\(Scotland\)%20Act%202019.pdf](https://www.rtpi.org.uk/media/3447036/RTPI%20Scotland%20-%20Financial%20Implications%20of%20Implementing%20the%20Planning%20(Scotland)%20Act%202019.pdf)

Additional Duty Number	Planning (Scotland) Act 2019 Part / Section	Additional Duty Description	RTPI Lower Estimate	RTPI Higher Estimate
1	Part 1, Section 2	Information to assist in the preparation of National Planning Framework in regards to the principal physical, cultural, economic, social, built heritage and environmental characteristics of the area	£52,299	£52,299
2	Part 1, Section 2	Information to assist in the preparation of National Planning Framework in regards to the capacity of education services in the area	£225,428	£225,428
3	Part 1, Section 2	Information to assist in the preparation of National Planning Framework in regards to the capacity of health services in the area	£450,857	£450,857
4	Part 1, Section 2	Information to assist in the preparation of National Planning Framework in regards to the health needs of the population of the area	£18,034	£18,034
5	Part 1, Section 2	Information to assist in the preparation of National Planning Framework in regards to the housing needs of the population of the area, the housing needs of older people and disabled people within the area	£450,857	£450,857
6	Part 1, Section 2	Information to assist in the preparation of National Planning Framework in regards to the desirability of allocating land for the purposes of resettlement	£149,684	£149,684
7	Part 1, Section 2	Information to assist in the preparation of National Planning Framework in regards to the infrastructure of the area (including communications, transport and drainage systems and systems for the supply of water and energy)	Work already undertaken in planning authorities	
8	Part 1, Section 2	Information to assist in the preparation of National Planning Framework in regards to how that infrastructure is use	Work already undertaken in planning authorities	
9	Part 1, Section 2	Information to assist in the preparation of National Planning Framework in regards to the supply of energy including land available for the development and use of facilities for renewable sources of energy	£18,034	£18,034
10	Part 1, Section 3	A planning authority is to prepare and publish an open space strategy	£450,000	£450,000
11	Part 1, Section 4	Contribute evidence to Scottish Ministers towards a report on how the planning system is operating to help ensure that the housing needs of older people and disabled people are met	£690,000	£690,000
12	Part 1, Section 5	A planning authority, or two or more such authorities acting jointly, are to prepare and adopt a Regional Spatial Strategy	£4,080,000	£23,800,000
13	Part 1, Section 7	Local Development Plan is to include a statement of the planning authority's policies and proposals as to the provision of water refill locations	£225,428	£225,428
14	Part 1, Section 7	Local Development Plan is to include a statement of the planning authority's policies and proposals as to the provision of public conveniences	£225,428	£225,428

<b>Additional Duty Number</b>	<b>Planning (Scotland) Act 2019 Part / Section</b>	<b>Additional Duty Description</b>	<b>RTPI Lower Estimate</b>	<b>RTPI Higher Estimate</b>
15	Part 1, Section 7	Local Development Plan is to include targets for meeting the housing needs of people living in the part of the district to which it relates, the housing needs of the population of the area, including, in particular, the needs of persons undertaking further and higher education, older people and disabled people and the availability of land in the district for housing, including for older people and disabled people	£901,714	£901,714
16	Part 1, Section 7	Local Development Plan is to include evidence in regards to the desirability of allocating land for the purposes of resettlement	£149,684	£149,684
17	Part 1, Section 7	Local Development Plan is to include evidence in regards to the health needs of the population of the district and the likely effects of development and use of land on those health needs	£34,265	£34,265
18	Part 1, Section 7	Local Development Plan is to include evidence in regards to the education needs of the population of the district and the likely effects of development and use of land on those education needs	£450,857	£450,857
19	Part 1, Section 7	Local Development Plan is to include evidence in regards to the extent to which there are rural areas within the district in relation to which there has been a substantial decline in population	£34,265	£34,265
20	Part 1, Section 7	Local Development Plan is to include evidence in regards to the capacity of education services in the district	£450,857	£450,857
21	Part 1, Section 7	Local Development Plan is to include evidence in regards to the desirability of maintaining an appropriate number and range of cultural venues and facilities (including in particular, but not limited to, live music venues) in the district	£34,265	£34,265
22	Part 1, Section 7	Local Development Plan is to include evidence in regards to the supply of energy including land available for the development and use of facilities for renewable sources of energy	£34,265	£34,265
23	Part 1, Section 7	Local Development Plan is to have regard to the desirability of preserving disused railway infrastructure for the purpose possible future public transport requirements	£34,265	£34,265
24	Part 1, Section 7	A planning authority must make such arrangements as they consider appropriate to promote and facilitate participation by children and young people (meaning for the purpose of this section a person aged 25 or under) in the preparation of the Local Development Plan	£204,000	£408,000
25	Part 1, Section 7	Local Development Plan evidence report must include a summary of the action taken by the planning authority to support and promote the construction and adaptation of housing to meet the housing needs of older people and disabled people in the authority's area and an analysis of the extent to which the action has helped to meet those needs	See estimate for additional duty 19	
26	Part 1, Section 7	Local Development Plan must include a summary of the action taken by the planning authority to meet the accommodation needs of Gypsies and Travellers in the authority's area and an analysis of the extent to which the action has helped to meet those needs.	See estimate for additional duty 28	
27	Part 1, Section 7	Local Development Plan evidence report must set out how the planning authority has invited local communities in their district to prepare local place plans in accordance with the schedule and the assistance provided to local communities to assist them to prepare local place plans	See RTPI Report Section 6	
28	Part 1, Section 7	Local Development Plan evidence report must set out action taken to include the views of Gypsies and Travellers in the authority's area	£102,000	£1,806,000
29	Part 1, Section 7	Local Development Plan evidence report must set out action taken to include the views of disabled persons	£51,000	£51,000



Additional Duty Number	Planning (Scotland) Act 2019 Part / Section	Additional Duty Description	RTPI Lower Estimate	RTPI Higher Estimate
30	Part 1, Section 7	Local Development Plan evidence report must set out action taken to include the views of children and young people	See estimate for additional duty 23	
31	Part 1, Section 7	Local Development Plan evidence report must set out action taken to include the views community councils	£34,000	£1,200,000
32	Part 1, Section 7	A planning authority must assess the sufficiency of play opportunities in its area for children in preparing an evidence report	£450,000	£450,000
33	Part 1, Section 8	A planning authority is to prepare and maintain a list of persons who have registered interest with the authority with the intention of acquiring land in the authority's area for self-build housing.	£1,360,000	£3,410,000
34	Part 1, Section 14	Every planning authority must keep a register of local place plans.	£680,000	£2,040,000
35	Part 1, Section 14	Planning authorities are to publish an invitation to local communities in their district to prepare Local Place Plans	See RTPI Report Section 6	
36	Part 2, Section 15	The making and alteration of masterplan consent area schemes including annual reporting	£340,000	£680,000
37	Part 3, Section 17	A planning authority may designate all or part of its area as a short-term let control area	£640,710	£14,756,800
38	Part 3, Section 19	The consideration is to be given, before planning permission for a national development or a major development is granted, to the likely health effects of the proposed development	£421,757	£538,450
39	Part 3, Section 23	Notice by planning authority of certain applications made to them	No significant resource requirements estimated	
40	Part 3, Section 24	Assessment of environmental effects to include the net positive effects on biodiversity that would be likely to result from the development.	£101,463	£395,174
41	Part 3, Section 25	Noise-sensitive development to be subject to conditions, which take account of whether the development includes sufficient measures to mitigate, minimise or manage the effect of noise between the development and any existing cultural venues or facilities	Work already undertaken in planning authorities	
42	Part 3, Section 26	Provision of toilet facilities within certain large developments	£9,478	£21,360
43	Part 3, Section 28	A planning authority must prepare and keep under review a scheme of delegation	Work already undertaken in planning authorities	
44	Part 3, Section 30	Determination of applications: statement to accompany the notification	Work already undertaken in planning authorities	
45	Part 3, Section 36	As soon as reasonably practicable after the end of each financial year, a planning authority is to prepare and publish a report in regards to planning obligations	£68,000	£102,000
46	Part 4, Section 40	Local authorities must have regard to any guidance published by Scottish Ministers in relation to the promotion and use of mediation	£136,000	£13,136,000
47	Part 4, Section 44	Enforcement charters are to contain a statement in relation to the planning authority's monitoring of compliance with planning permissions which have been granted in respect of major developments	£340,000	£680,000

Additional Duty Number	Planning (Scotland) Act 2019 Part / Section	Additional Duty Description	RTPI Lower Estimate	RTPI Higher Estimate
48	Part 4, Section 46	Annual report on the performance of functions	Work already undertaken in planning authorities	
49	Part 4, Section 52	Notice by planning authority of applications for Listed Building Consent	-	
50	Part 4, Section 53	A planning authority is to prepare a forestry and woodland strategy.	£80,000	£120,000
		<b>Gross cost over 10 years</b>	<b>£16,616,879</b>	<b>£63,741,685</b>
		<b>Savings over 10 years</b>		
		Local Development Plans	-£2,239,000	-£2,239,000
		Strategic Development Plans and National Planning Framework	-£2,239,000	-£2,239,000
		Supplementary Guidance	-£5,210,000	-£5,210,000
		<b>Net cost over 10 years</b>	<b>£12,138,880</b>	<b>£59,263,685</b>

## ABERDEEN CITY COUNCIL

<b>COMMITTEE</b>	City Growth and Resources
<b>DATE</b>	6 <sup>th</sup> February 2020
<b>EXEMPT</b>	No
<b>CONFIDENTIAL</b>	No
<b>REPORT TITLE</b>	Low Emission Zone (LEZ) Options
<b>REPORT NUMBER</b>	PLA/20/039
<b>CHIEF OFFICER</b>	Gale Beattie
<b>REPORT AUTHOR</b>	Will Hekelaar
<b>TERMS OF REFERENCE</b>	Purpose 6. Remit 2.2

### 1. PURPOSE OF REPORT

- 1.1 To obtain approval from Members to apply to the Traffic Commissioner for a Traffic Regulation Condition (TRC) for the purpose of reducing emissions from local bus services, and to undertake public and stakeholder engagement on options for a Low Emission Zone (LEZ) encompassing multiple vehicle types.

### 2. RECOMMENDATION(S)

That the Committee:

- 2.1 Agree that incremental improvements to the local public transport fleet is an appropriate first step in delivering a LEZ in Aberdeen;
- 2.2 Instruct the Chief Officer – Strategic Place Planning to apply to the Traffic Commissioner for a TRC requiring that 20% of all local bus services in Aberdeen city centre achieve Euro VI (or better) compliance by 31<sup>st</sup> December 2020; and
- 2.3 Instruct the Chief Officer – Strategic Place Planning to undertake public and stakeholder engagement on options for a city centre LEZ encompassing multiple vehicle types and report the outcomes of this process to the Committee in October 2020.

### 3. BACKGROUND

- 3.1 As was reported to the Committee in November 2019 ([PLA/19/421](#)), officers are working with partners to determine the optimum form and scope of a LEZ in Aberdeen in accordance with the commitment within the Scottish Government's 2017/18 Programme for Government that Scotland's four principal cities should have a LEZ in place by the end of 2020. Members were advised that the current focus of LEZ appraisal work is the City Centre Air Quality Management Area (AQMA) due to a higher number of nitrogen dioxide

(NO<sub>2</sub>) exceedances recorded here compared to other AQMAs in Aberdeen (Figure 1, Appendix 1).

- 3.2 In December 2019, an updated air quality model was finalised by the Scottish Environment Protection Agency (SEPA) to reflect the impacts of the full opening of the Aberdeen Western Peripheral Route (AWPR). The SEPA model identifies emissions attributable to road traffic which can be broken down into vehicle types, and various scenarios can be tested within the model to identify the air quality impacts of different interventions. Various high-level traffic reduction scenarios previously assessed in the model suggested that, while the AWPR has reduced traffic in the city centre and on key corridors, and while the Council has plans to reduce city centre traffic further via ongoing delivery of the City Centre Masterplan (CCMP), Sustainable Urban Mobility Plan (SUMP) and the Roads Hierarchy, the level of traffic reduction likely to be realised in the short to medium term via implementation of these plans is unlikely to be sufficient to bring NO<sub>2</sub> emissions within acceptable limits without further interventions, such as the introduction of a LEZ.
- 3.3 Various scenarios have now been tested in the revised model, based around improved vehicle standards, to understand their impacts on air quality on key streets within the AQMA. A sample of the outcomes of these tests is shown in Table 1 in Appendix 1. The figures demonstrate that addressing one vehicle type in isolation does not solve Aberdeen's air quality problems, but that an initial focus on reducing emissions associated with bus movements within the city centre would achieve the quickest improvements, and that working with bus operators to bring more vehicles up to Euro VI standard or better (e.g. electric or hydrogen vehicles) would bring air quality benefits almost immediately. This message is reinforced when looking at the emissions contribution of buses on various city centre streets (Table 2, Appendix 1).
- 3.4 Regulations and Guidance for local authorities declaring LEZs is currently being developed by Transport Scotland, with a consultation paper launched in December 2019 to which Aberdeen City Council is preparing a response. Transport Scotland anticipates that the final Regulations and Guidance will be published around October 2020, enabling LEZs to be declared thereafter. The ability to have a formal LEZ applicable to multiple vehicle types approved and in place by the end of 2020 is therefore extremely challenging for any city.
- 3.5 One avenue that is open to local authorities to meet the Ministerial commitment and bring immediate air quality benefits is to apply to the Traffic Commissioner for Scotland for a Traffic Regulation Condition (TRC). Under section 7 of the Transport Act 1985 and section 42 of the Transport (Scotland) Act 2001, a local authority may ask the Traffic Commissioner to attach a TRC to a Public Service Vehicle Operator's licence in order to reduce or limit noise or air pollution. This is the route that Glasgow City Council progressed in order to implement the first LEZ in Scotland in 2018, via a TRC that required public transport vehicles to achieve 20% Euro VI compliance by the end of 2018, and increasing the proportion of compliance over five years, before introducing a LEZ applying to all vehicles from 2023. It is anticipated that a TRC of this nature would take 6-9 months to enact, including statutory consultation and there is a risk of objection from statutory consultees.

- 3.6 Euro engine standards adopted by the EU state acceptable limits for exhaust emissions for new vehicles sold in member states. They set out a series of EU directives which have been staging the progressive introduction of increasingly stringent standards over the past two decades. In this light, only vehicles of Euro VI for diesel (vehicles registered from September 2015) and Euro IV or better for petrol (vehicles registered from January 2006) are capable of delivering significant air pollution reduction in the problem areas in Aberdeen. It is, however, possible to retrofit diesel vehicles with exhaust modifications to bring them up to an acceptable standard and significant funding (approximately £8 million in 2019/20) is available to bus and taxi operators from the Scottish Government to enable this to take place.
- 3.7 It is therefore proposed that Aberdeen City Council, via a TRC, introduces a requirement that at least 20% of bus journeys per operator in the city centre must be of Euro VI standard or better by the end of 2020, and works with bus operators to increase Euro VI compliance year on year until such a time as a full LEZ applying to multiple vehicle types is operational.
- 3.8 This approach does put financial pressure on bus operators at a time when the public transport market is already fragile due to year on year patronage reduction. Reducing bus emissions, rather than removing or reducing bus services must be the objective of this approach. Bus services are obviously essential to Aberdeen's current and future transport infrastructure and a significant proportion of the city's population is reliant on the continuing health of the bus network, while current national, regional and local transport policy is focussed on encouraging more journeys to be undertaken by public transport and active travel. In order for a TRC to be approved by the Commissioner, the Council will be required to demonstrate that the proposal brings no adverse impacts upon the bus passenger.
- 3.9 Engagement with First Aberdeen and Stagecoach took place in January 2020 to understand their likely ability to comply with such a requirement and what the implications may be on services. The outcome of the discussion was that such an approach is an appropriate first step towards a full LEZ, and strikes a balance between being aspirational, and recognising the challenges placed on operators to comply within the timeframe. Both operators did raise points of concern which will require further consideration and investigation as the full details of the TRC are worked through, but in general intimated a desire to work in partnership with the Council to improve air quality and to continue to work with the North East Bus Alliance to deliver a more public transport-friendly city and city centre.
- 3.10 In terms of what the Council can do to support operators and ensure the ongoing health of the bus network through this transition period, ongoing delivery of the bus prioritisation measures identified in the CCMP, SUMP and Roads Hierarchy will be key. Addressing vehicle standards alone can only be one element of a longer-term solution to improving air quality, one that must be complemented by the continued delivery of these plans to reduce the volume of non-essential traffic in the city centre and allow residual traffic to move more freely. The further roll out of hydrogen buses also has a role to play and, should

the Council succeed in its efforts to bring 15 new hydrogen buses to the city in 2020, this will help operators achieve compliance in the first year and allow them to better prepare for future years. This would also represent successful partnership working between the Council and bus operators to work towards LEZ compliance.

- 3.11 In terms of options for a full LEZ applying to multiple vehicle types, transport consultants SYSTRA are currently supporting the Council with option generation, sifting, modelling and appraisal and it is anticipated that a shortlist of feasible options will be developed by spring 2020. These will then be subject to appropriate public and stakeholder consultation, resulting in the identification of a preferred option later in 2020 for detailed design and delivery.

#### **4. FINANCIAL IMPLICATIONS**

- 4.1 Funding support of £230,000 to progress feasibility and design of a LEZ has been awarded by Transport Scotland during 2019/20. The works described in this report are funded from this grant, while staff time for LEZ project management is currently funded by the EU project CIVITAS PORTIS. There will be financial implications arising from the implementation, management, maintenance and enforcement of any LEZ – officers are working with Transport Scotland and other partners in identifying these and these will be communicated to Members in a future report.

#### **5. LEGAL IMPLICATIONS**

- 5.1 ACC has a legal duty to meet statutory air quality objectives and improve air quality in its AQMAs through the implementation of the Air Quality Action Plan (2011) and associated initiatives.
- 5.2 The 1985 Transport Act and Transport (Scotland) Act 2001 enable local authorities to ask the Traffic Commissioner to introduce a TRC for a number of reasons, one of which is to reduce environmental pollution. This will be subject to appropriate scrutiny and may be subject to objections from statutory consultees.
- 5.3 Legislation enabling local authorities to declare and enforce LEZs is included within the Transport (Scotland) Act 2019. It is anticipated that the supporting Regulations and Guidance will be published during 2020.

#### **6. MANAGEMENT OF RISK**

<b>Category</b>	<b>Risk</b>	<b>Low (L) Medium (M) High (H)</b>	<b>Mitigation</b>
<b>Financial</b>	Continuing poor air quality could see increasing societal costs arising from	M	Continue with work to identify an optimum LEZ for

	<p>pollution-related health complaints.</p> <p>Care needs to be taken that any LEZ ultimately recommended for implementation supports, rather than harms, the economic vitality of the city centre.</p> <p>There may be risks associated with the costs of implementing, managing, maintaining and enforcing a LEZ.</p>		<p>Aberdeen and ensure options are subject to robust appraisal process.</p> <p>Continue to work with Transport Scotland and the other LEZ cities to determine the optimum approach to LEZ delivery, management, maintenance and enforcement.</p>
<b>Legal</b>	<p>There may be implications should air quality continue to breach legal limits and ACC is seen to be taking insufficient action to address this.</p> <p>Any TRC or LEZ may be subject to objections and/or require a formal hearing.</p>	M	<p>Continue with work to an identify optimum LEZ for Aberdeen, as part of a package of measures to address air pollution.</p> <p>Continue to work with stakeholders to understand and mitigate concerns around a TRC or LEZ.</p>
<b>Employee</b>	<p>Not taking steps to address air quality in the city centre could have negative impacts on the health and wellbeing of employees, many of whom work in the city centre.</p>	M	<p>Continue with work to identify an optimum LEZ for Aberdeen.</p>
<b>Customer</b>	<p>Not taking steps to address air quality in the city centre could have negative impacts on the health and wellbeing of those living, working in and visiting the city centre.</p> <p>Bus operators may respond to increasing financial pressures by reducing services into the city centre area or passing</p>	H	<p>Continue with work to identify an optimum LEZ for Aberdeen and ensure options are subject to robust appraisal process.</p> <p>Ensure appraisal is evidence-based, supported by air quality and traffic modelling forecasts.</p>

	<p>increased costs onto passengers via fare increases, both of which would have negative impacts on bus users.</p> <p>Care will have to be taken that any LEZ recommended for implementation limits scope for negative impacts on our customers, particularly in terms of accessibility of the city centre and the social and equalities impacts of potentially restricting certain vehicles from certain streets.</p> <p>Customer dissatisfaction may arise from the implementation of a LEZ and the final recommendations are unlikely to be universally popular. This could result in public / stakeholder opposition to recommendations and the need for a formal hearing.</p>		<p>Work with bus operators to identify and mitigate concerns associated with the introduction of a TRC, including taking advantage of opportunities to utilise available Scottish Government funding for retrofitting.</p> <p>Undertake detailed public and stakeholder consultation on proposals.</p> <p>Undertake Equalities and Human Rights Impact Assessment (EHRIA) of final recommendations.</p>
<b>Environment</b>	<p>Air quality is likely to remain poor for the immediate future without interventions.</p> <p>Care must be taken to ensure that air quality interventions do not result in unintended negative consequences such as moving the existing problem and/or exacerbating carbon emissions elsewhere.</p>	H	<p>Continue with work to identify an optimum LEZ for Aberdeen and undertake Strategic Environmental Assessment (SEA).</p>
<b>Technology</b>	<p>Issues may arise in terms of monitoring and enforcement of LEZs and these will become clearer</p>	M	<p>Continue with work to identify an optimum LEZ for Aberdeen and work</p>



	as a preferred option begins to emerge.		with Transport Scotland and the other Scottish cities to develop a coherent and consistent approach to monitoring and enforcement.
<b>Reputational</b>	<p>There are risks associated with a TRC should ACC be seen as deliberately targeting the bus industry and/or putting pressure on bus operators while not addressing general traffic in the short term. In a worst-case scenario this could see operators respond to increasing financial pressures by reducing services into the city centre area or passing increased costs onto passengers via fare increases (although it should be noted that these risks have not transpired in Glasgow). The Council could be seen as partly responsible for these consequences should they arise.</p> <p>Conversely, many groups are likely to view the short-term proposals outlined in this report as unambitious</p> <p>There are risks associated with a LEZ should ACC be portrayed as contributing to the decline of the city centre through restricting access. Conversely, not implementing a LEZ could result in reputational risk should ACC be seen as not making sufficient effort to improve air quality and</p>	H	<p>Work with bus operators to identify and mitigate concerns associated with the introduction of a TRC, including taking advantage of opportunities to utilise available Scottish Government funding for retrofitting.</p> <p>Continue with work to identify an optimum LEZ for Aberdeen and ensure options are subject to robust appraisal process.</p> <p>Ensure appraisal is evidence-based, supported by air quality and traffic modelling forecasts.</p> <p>Undertake public and stakeholder consultation on proposals.</p>

	the health and wellbeing of our citizens and visitors.		
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## 7. OUTCOMES

<b>Local Outcome Improvement Plan Themes</b>	
	<b>Impact of Report</b>
<b>Prosperous Economy</b>	Proposals support Key Driver 1.3 ( <i>Improving investment into Aberdeen and Aberdeen businesses</i> ) in that a clean and safe city centre is critical to maintaining a healthy economy for the city and wider region.
<b>Prosperous People</b>	Proposals support Key Drivers 3.4 ( <i>Improving health and reducing inequalities</i> ) and 11.1 ( <i>Supporting vulnerable and disadvantaged people, families and groups</i> ) in that there are strong links between poor air quality and a number of physical and mental illnesses and premature deaths resulting from such illnesses, with the more vulnerable members of society (children and the elderly) most affected. Proposals therefore support the delivery of Stretch Outcomes 3 ( <i>95% of children (0-5years) will reach their expected developmental milestones by the time of their child health reviews by 2026</i> ), 4 ( <i>90% of children and young people will report that they feel mentally well by 2026</i> ) and 11 ( <i>Healthy life expectancy (time lived in good health) is five years longer by 2026</i> ).
<b>Prosperous Place</b>	Supports Key Driver 14.1 ( <i>Reducing emissions across the city through delivery of Aberdeen's Sustainable Energy Action Plan 'Powering Aberdeen'</i> ) in that the primary purpose of a LEZ is to reduce emissions from transport.

<b>Design Principles of Target Operating Model</b>	
	<b>Impact of Report</b>
<b>Customer Service Design</b>	Will benefit all residents, businesses and visitors by creating a cleaner and city centre.
<b>Workforce</b>	Improved air quality in the city centre has the potential to support a healthier workforce.
<b>Partnerships and Alliances</b>	This is very much a partnership project with ACC working with bus operators to deliver improvements via a TRC in the first instance. The wider LEZ represents successful partnership working as the process in Aberdeen is being overseen by a group representing a range of internal interests and external partners, including Transport Scotland, Nestrans, Aberdeenshire Council, NHS Grampian and SEPA. ACC participates in a number of LEZ Working Groups with Transport Scotland and the other LEZ cities

	(Dundee, Edinburgh and Glasgow) to share knowledge and experiences and to develop a consistent approach to LEZ development and delivery throughout Scotland.
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## 8. IMPACT ASSESSMENTS

Assessment	Outcome
<b>Equality &amp; Human Rights Impact Assessment</b>	Completed.
<b>Data Protection Impact Assessment</b>	Not required
<b>Duty of Due Regard / Fairer Scotland Duty</b>	Not applicable

## 9. BACKGROUND PAPERS

[Aberdeen Low Emission Zone Service Update](#) (December 2018)

[PLA/19/421 Low Emission Zone Objectives and Progress](#) (November 2019)

## 10. APPENDICES (if applicable)

Appendix 1 – Air Quality Modelling Outputs

## 11. REPORT AUTHOR CONTACT DETAILS

Name	Will Hekelaar
Title	Senior Engineer (Transport Strategy and Programmes)
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## Appendix 1 – Air Quality Modelling Outputs

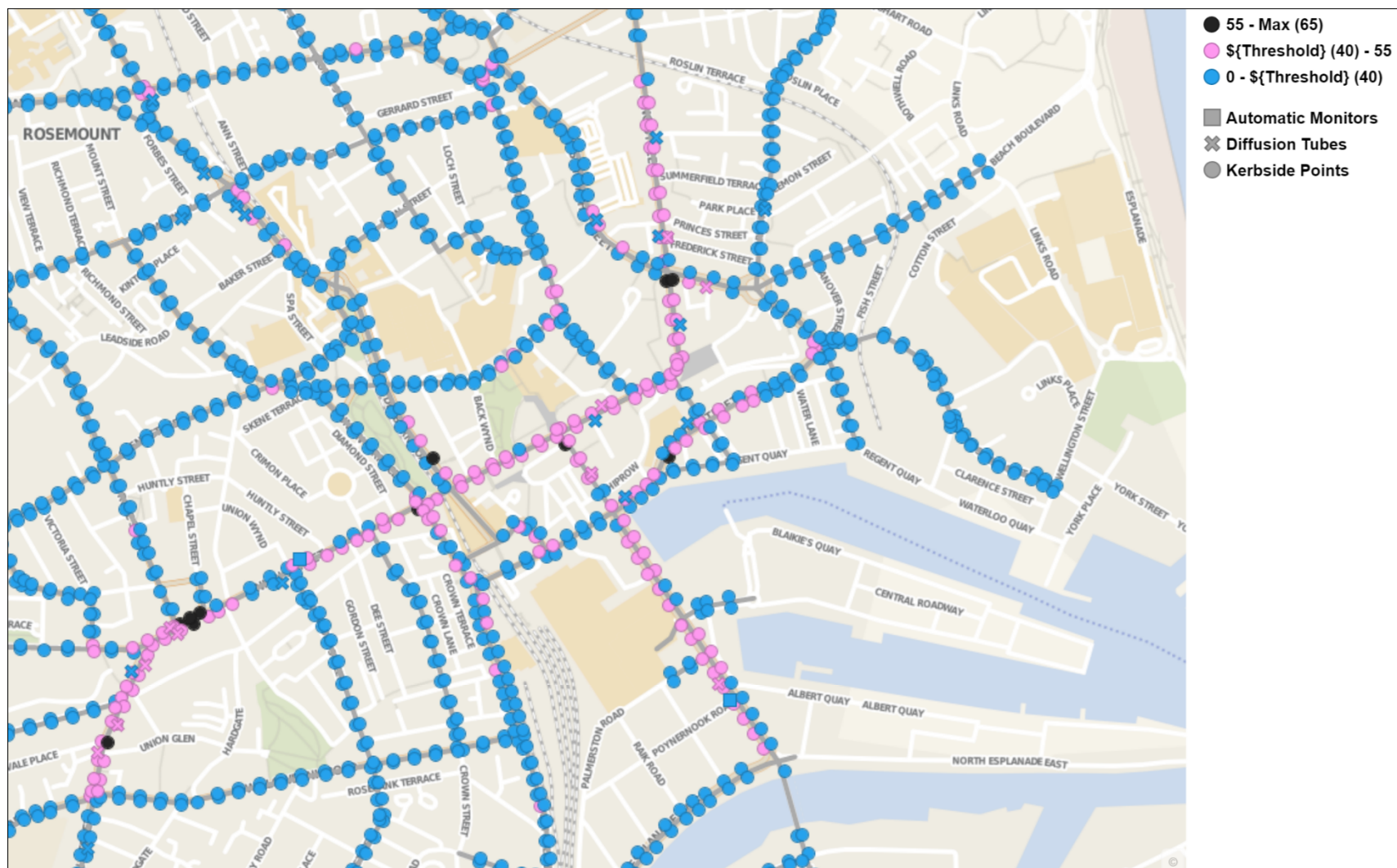


Figure 1: Modelled Roadside Annual Average NO<sub>2</sub> ( $\mu\text{g}\cdot\text{m}^{-3}$ ) Concentrations at Roadside Points in the City Centre (2019 Base Run)

Note: National and EU threshold for NO<sub>2</sub> concentrations is 40 micrograms per cubic metre (40 µg/m<sup>3</sup>). Concentrations exceeding the 40 µg<sup>-3</sup> objective are shown in pink and those exceeding 55 µg<sup>-3</sup> are shown in black.

Monitor Location	Observed Data (2018)	Modelled Data													
		2019 Base Run	100% Bus Euro VI	100% Diesel car Euro VI	100% HGV Euro VI	100% LGV Euro VI	100% Petrol car Euro IV	100% Bus and Diesel car Euro VI	100% Bus and HGV Euro VI	100% Bus and LGV Euro VI	100% Bus Euro VI and Petrol car Euro IV	100% Bus, Diesel car and HGV Euro VI	100% Bus, Diesel car and LGV Euro VI	100% Bus, Diesel car, HGV and LGV Euro VI	100% Bus, Diesel car, HGV and LGV Euro VI; 100% petrol cars Euro IV
39 Market Street	46	42	37	41	41	42	42	36	36	36	37	35	35	34	34
469 Union Street	45	44	38	42	43	43	44	37	38	38	38	36	36	36	36
40 Union Street	44	45	38	44	45	45	45	37	38	38	38	37	37	36	36
468 Union Street	40	40	36	39	40	40	40	34	35	35	36	34	34	34	33
16 East North Street	40	40	39	39	39	40	40	38	37	38	39	36	37	36	36
226 Union Street	38	38	34	37	37	37	38	33	33	33	34	32	32	32	32

Table 1: Comparison of Observed and Modelled Annual Average NO<sub>2</sub> Concentrations for 2019 Base Run and LEZ Scenarios at five Diffusion Tube locations and the Automatic Monitor on Union Street

Note: HGV – Heavy Goods Vehicle; LGV – Light Goods Vehicle

	<b>King Street</b>	<b>Union Street</b>	<b>Market Street</b>	<b>Bridge Street</b>	<b>Denburn Road</b>	<b>Union Terrace</b>
<b>Buses/coaches</b>	36%	54%	19%	50%	19%	49%
<b>Diesel cars</b>	29%	25%	34%	29%	45%	28%
<b>Petrol cars</b>	4%	3%	5%	4%	6%	4%
<b>HGVs</b>	15%	7%	20%	7%	13%	7%
<b>LGVs</b>	16%	11%	21%	11%	17%	12%

Table 2: Emissions contribution of different vehicle types

Note: The above figures take account of the volume of different types of traffic on individual streets.

## ABERDEEN CITY COUNCIL

<b>COMMITTEE</b>	City Growth and Resources
<b>DATE</b>	6 <sup>th</sup> February 2020
<b>EXEMPT</b>	No
<b>CONFIDENTIAL</b>	No
<b>REPORT TITLE</b>	Granite City Growing: Aberdeen Growing Food Together
<b>REPORT NUMBER</b>	PLA/20/013
<b>DIRECTOR</b>	N/A
<b>CHIEF OFFICER</b>	Gale Beattie
<b>REPORT AUTHOR</b>	Sandy Gustar
<b>TERMS OF REFERENCE</b>	2.2 determine the Council's strategies for city growth and place planning except in relation to major infrastructural planning and the Local Development Plan.

### 1. PURPOSE OF REPORT

- 1.1 This report seeks approval for the final version of Aberdeen's community food-growing strategy '*Granite City Growing: Aberdeen Growing Food Together 2020*' along with its associated Environmental Report.

### 2. RECOMMENDATION(S)

That the Committee:-

- 2.1 Approve the Granite City Growing: Aberdeen Growing Food Together 2020 strategy as contained in Appendix A;
- 2.2 Approve the development of an implementation plan 2020 to 2026 based on the vision and key actions; and
- 2.3 Approve the Granite City Growing SEA Environmental Report, as contained in Appendix B.

### 3. BACKGROUND

- 3.1 The aims and objectives of Granite City Growing were presented to the Corporate Management Team in October 2018 and January 2020. A draft version of Granite City Growing and associated environmental report was approved for public consultation by the City Growth and Resources Committee in September 2019. Committee instructed officers to report back for approval of the final documents in February 2020 along with the findings of the eight-week public consultation. Additionally Granite City Growing was included as part of the Council's Strategy Framework in a report to the Strategic Commissioning Committee in November 2019.

- 3.2 The Community Empowerment (Scotland) Act 2015 requires that Aberdeen City Council prepare a food-growing strategy. It also requires that the Council report allotment waiting lists annually. The annual reports will be brought forward by Operations and Protective Services. The food-growing strategy will be reviewed every five years by Strategic Place Planning.
- 3.3 '*Granite City Growing*' was developed in the light of views and priorities expressed by local organisations and community groups gathered during stakeholder workshops. Individuals were consulted through a Citizen's Space survey in February 2018 and in the 43rd City Voice survey in March 2019. A Food-growing Steering Group has guided the process consisting of representatives from Aberdeen City Council's Place, Operations and Customer clusters, the Hutton Institute, Community Councils, the Allotment Market Stall, Powis Residents Association, the Civic Forum and from the Community Food Initiative North East (CFINE). The eight-week public consultation was conducted through the consultation hub, Citizen Space, from October until December 2019.
- 3.4 Governance and oversight of Granite City Growing's implementation will be provided by the Sustainable Food City Partnership Aberdeen and the Sustainable City Outcome Improvement Group sitting within the Community Planning partnership. Regular reporting of progress will be done through this route.
- 3.5 Granite City Growing will help to deliver the Sustainable Development Goals (SDGs) in Aberdeen. It is of relevance to 10 SDGs; in particular SDG 2 'Zero Hunger', SDG 3 'Good health and wellbeing', SDG 11 'Sustainable Cities and communities', SDG 13 'Climate Action' and SDG 15 'Life on Land'.

### **The Public Consultation**

- 3.6 The public consultation was publicised through a press release, ACC social media channels, through Granite City Growing stakeholders and to wider stakeholders, to Community Councils and a leaflet distributed to libraries and allotment representatives.
- 3.7 Nineteen responses were received to the public consultation and a summary of the responses is set out in Appendix C. A majority of respondents indicated they agreed with the vision, objectives and action areas of the strategy. Some respondents provided further comments and these have been incorporated into Granite City Growing as far as possible.
- 3.8 It has been noted through the Food-growing Steering Group that the Civic Forum and Community Councils did not respond to the consultation because they did not have enough time.
- 3.9 The (SEA) Environmental Report was issued to statutory consultees Scottish Natural Heritage (SNH), Scottish Environment Protection Agency (SEPA) and



Historic Environment Scotland, as required by the Environmental Assessment (Scotland) Act 2005. Appendix B includes the final Environmental Report which has been updated to reflect feedback.

#### 4. FINANCIAL IMPLICATIONS

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

#### 5. LEGAL IMPLICATIONS

5.1 The Community Empowerment (Scotland) Act 2015 requires that all local authorities prepare a food-growing strategy for their area.

5.2 A Strategic Environmental Assessment (SEA) has been completed as required by the Environmental Assessment (Scotland) Act 2005. Assessment findings were used to populate the Environmental Report.

#### 6. MANAGEMENT OF RISK

Category	Risk of not progressing Granite City Growing	Low (L) Medium (M) High (H)	Mitigation
<b>Financial</b>	A risk of demand for allotments and other growing spaces exceeding supply thereby triggering the 'reasonable measures' response required by the Community Empowerment (Scotland) Act 2015. The allotment waiting list has increased significantly (January 2020 update).	H	The demand for food-growing spaces will be monitored. Allotment waiting numbers will be reported annually. Supporting a range of food-growing spaces may reduce the pressure on allotments
<b>Legal</b>	ACC fails to act on the duty to prepare a food-growing strategy under the Community Empowerment (Scotland) Act 2015	H	The Granite City Growing strategy is approved before 1 <sup>st</sup> April 2020.
<b>Employee</b>	Health and wellbeing outcomes of food-growing not realised.	M	Improvement Charter to increase workplace food growing opportunities is currently being progressed by the Operations and Protective Services cluster and reported to

			the Sustainable City Group.
<b>Customer</b>	A risk of demand for allotments and other growing spaces exceeding supply. Health and wellbeing benefits not realised. Widening inequalities in opportunities to 'grow your own'.	M	The demand for food-growing spaces will be monitored. Allotment waiting numbers will be reported annually. The strategy will be reviewed every 5 years in line with the legislation.
<b>Environment</b>	Biodiversity gains not realised.  Best practice water, biodiversity and soil management advice for food-growing not communicated.	M	Biodiversity, water and soil implications are communicated in Granite City Growing and information created or signposted to encourage best practice.
<b>Technology</b>	n/a		
<b>Reputational</b>	Failure to meet legal duty.  Failure to fully support Aberdeen's ambition to be a Sustainable Food City.	H	Granite City Growing is approved before 1 <sup>st</sup> April 2020.

## 7. OUTCOMES

<b>Local Outcome Improvement Plan Theme</b>	
	<b>Impact of Report</b>
<b>Prosperous Economy</b>	The proposals within this report support the delivery of LOIP Stretch Outcome 1 – 10% increase in employment across priority and volume growth sectors by 2026. Granite City Growing will in time increase the food-growing skills of residents. 'Food and Drink' has been identified as a growth sector so it could help to deliver the LOIP Improvement Project Aim 'to increase the number of people employed in growth sectors by 5% by 2021.
<b>Prosperous People</b>	The proposals within this report support the delivery of LOIP Stretch Outcome 11 – Healthy life expectancy is five years longer by 2026. Food-growing could be a useful part of the aims to: <ul style="list-style-type: none"> <li>• Increase the number of people in local communities promoting wellbeing and good health choices by 2021</li> <li>• Increase uptake of a range of activities that enable people with long term conditions to manage their health and well-being by 2021</li> <li>• Increase the number of community run green spaces that are organised and self-managed, particularly in priority localities where satisfaction and use is low.</li> </ul>

	<ul style="list-style-type: none"> <li>• Increase opportunities for people who are retired to continue and increase their contribution to communities by 10% by 2021</li> </ul> <p>The proposals within this report support the delivery of LOIP Stretch Outcome 12 – Rate of harmful levels of alcohol consumption reduced by 4% and drug related deaths lower than Scotland by 2026. The therapeutic benefits of food-growing could contribute to: Increase number of people undertaking recovery from drug and alcohol issues who are being supported to maintain drug / alcohol free lives in their community by 2021</p>
<b>Prosperous Place</b>	<p>The proposals within this report support the delivery of LOIP Stretch Outcome 13 – No one in Aberdeen will go without food due to poverty by 2026. Granite City Growing will support community efforts in making our green space productive and resilient and oversee the delivery of the Improvement Aim to:</p> <ul style="list-style-type: none"> <li>• Increase community food growing in schools, communities and workplaces by 2021</li> </ul> <p>The proposals within this report support the delivery of LOIP Stretch Outcome 14 - Addressing climate change by reducing Aberdeen's carbon emissions by 42.5% by 2026 and adapting to the impacts of our changing climate. Food-growing activities will support the delivery of the Improvement Project Aims to:</p> <ul style="list-style-type: none"> <li>• Reduce Aberdeen’s carbon emissions by 30% by 2021.</li> </ul>

<b>Design Principles of Target Operating Model</b>	
	<b>Impact of Report</b>
<b>Customer Service Design</b>	Granite City Growing has been drafted to the customer design principles of prevention and early intervention, co-design, locality-based and collaboration.
<b>Organisational Design</b>	Granite City Growing has been drafted to the following organisational design principles: enabling and intelligence led.
<b>Governance</b>	Granite City Growing has been drafted with the inclusive governance principle in mind.
<b>Workforce</b>	Granite City Growing has been drafted with the workforce principle of being open and co-operative.
<b>Process Design</b>	Granite City Growing has been drafted to the following process design principles: understand what people need and make things open.
<b>Technology</b>	Granite City Growing has embraced the technological principle of being engaged
<b>Partnerships and Alliances</b>	Granite City Growing has been drafted to the partnership principle of complementarity of purpose and value added.

## 8. IMPACT ASSESSMENTS

Assessment	Outcome
<b>Equality &amp; Human Rights Impact Assessment</b>	An EHRIA was not required as confirmed by the nominated Equalities officer 19/6/2018.
<b>Data Protection Impact Assessment</b>	A Data Protection Impact Assessment is not required.
<b>Duty of Due Regard / Fairer Scotland Duty</b>	Applicable. Granite City Growing seeks to reduce inequalities in the existing supply of food-growing opportunities.
<b>Strategic Environmental Assessment (SEA)</b>	Full SEA required and Environmental Report is included in Appendix B. This report seeks consultation with public and statutory consultees on the Environment Report for Granite City Growing completed as part of the SEA process.
<b>Habitat Regulations Assessment (HRA)</b>	A Habitats Regulations Appraisal proforma has been concluded in consultation with Scottish Natural Heritage.

## 9. BACKGROUND PAPERS

- [Granite City Growing](#) – Strategic Environmental Assessment Screening and Scoping reports
- [PLA/18/062](#) from the Capital Programme Committee 12/9/2018
- Corporate Management Team Committee Paper 11/10/2018
- Service Update 'Granite City Growing; Aberdeen's Food Growing Strategy' 25 April 2019
- [PLA/19/314](#) from City Growth and Resources Committee 26/09/19
- [GOV/19/413](#) from the Strategic Commissioning Committee 21/11/19
- [Scottish Government Guidance](#)

## 10. APPENDICES

- Appendix A – Granite City Growing - final text version
- Appendix B – Strategic Environmental Assessment – Final Environmental Report is available through the Council website: <https://www.aberdeencity.gov.uk/sites/default/files/2019-09/SEA%20Environmental%20Report%20Granite%20City%20Growing%20Appendix%20B.pdf>
- Appendix C – Consultation summary

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# Granite City Growing:

## Aberdeen Growing Food Together 2020



## Document Control

<b>Approval Date:</b>	6 February 2020 (TBC)
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<b>Document Author(s) and Owner</b>	Sandy Gustar, Sustainability Officer Gale Beattie, Chief Officer
<b>Approval Authority</b>	Corporate Management Team (CMT)
<b>Scheduled Review</b>	Five yearly
<b>Changes</b>	N/A

Draft

## 1. Executive Summary

'Granite City Growing: Aberdeen Growing Food Together 2020' is Aberdeen's first food growing strategy and has been co-produced with a range of community groups and key stakeholders. A baseline of 2019 has been used to capture all the background data, with the strategy running from 2020 to 2026. In partnership with key stakeholders a clear vision for the future of food growing in the city has been set which seeks to ensure that:-

- everyone who wants to, has access to food-growing opportunities
- people are aware of the benefits of and opportunities for local food growing
- communities and politicians understand the link between healthy people, good, local food and a high-quality environment in and around the city.
- Community food-growing will continue to be recognised as part of Aberdeen's policy and strategic priorities.

The scope of the strategy covers all forms of community growing – where growing activities are collective and voluntary, or expressly for community benefit, and the governance sits within the Community Planning Partnership. A statement of 'reasonable measures', in line with the legislation, is included in the Additional Information and Guidance describing what Aberdeen City Council will do to respond to the demand for food-growing opportunities and a Strategic Environmental Assessment has been completed which helped to shape the strategy.

The delivery of Granite City Growing will require a partnership approach and a collaborative city-wide effort to achieve the many outcomes which community food-growing has the potential to positively effect. This will be detailed in a supporting implementation plan which will be co-produced with the same partners but adding additional expertise as required.

## 2. Strategic Context

In 2014 the Scottish Government published the *Good Food Nation Bill*, its vision was that by 2025 Scotland would be a "Good Food Nation, where people from every walk of life take pride and pleasure in, and benefit from, the food they produce, buy, cook, serve, and eat each day" To help deliver this in 2015 the Community Empowerment (Scotland) Act was adopted and Section s119 of that act requires all local authorities to prepare a food-growing strategy for their area. At a City level, Aberdeen's Community Planning Partnership's Local Outcome Improvement Plan (LOIP) sets further objectives which this strategy works to deliver.

As a cross-cutting theme community food-growing can help to deliver many of the LOIP stretch outcomes including 1,11,12,13 and 14. At a very specific level LOIP stretch outcome 13 states: *no one in Aberdeen will go without food due to poverty by 2026*. The LOIP incorporates the aims of the Anti-Poverty Strategy and is the local Child Poverty Action Plan for Aberdeen. One of the Improvement Aims to deliver the outcomes is to *'increase community food growing in schools, communities and workplaces by 2021'*.

### 3. Approach

In order to identify the current provision of food growing spaces in Aberdeen a baseline was first undertaken. This identified both the distribution and quantity of food-growing opportunities across the city. In national terms across Scotland the existing allotment provision stands at approximately 2 plots per 1000 people. In Aberdeen, in 2019, we had 2.25 allotment plots per 1000 people. If private allotment plots are included this rose to 2.85 plots per 1000 people. With 55% of households in Aberdeen living in flats many may have limited or no access to a private growing space. In terms of allotments, in January 2019 the allotment waiting list stood at 166 people (43 of whom were tending to a micro plot); this means that the allotment waiting list at that time was 32% of the number of plots available. This baseline then allowed work to begin with key stakeholders on creating a food growing strategy. The vision for Granite City Growing came from a series of workshops with key stakeholders facilitated in early 2018 by Greenspace Scotland. A public food-growing survey was conducted and Aberdeen's City Voice also included food-growing questions in March 2019. Oversight from the Food-growing Steering Group and the incorporation of statutory guidance formulated the strategic outcomes and objectives.

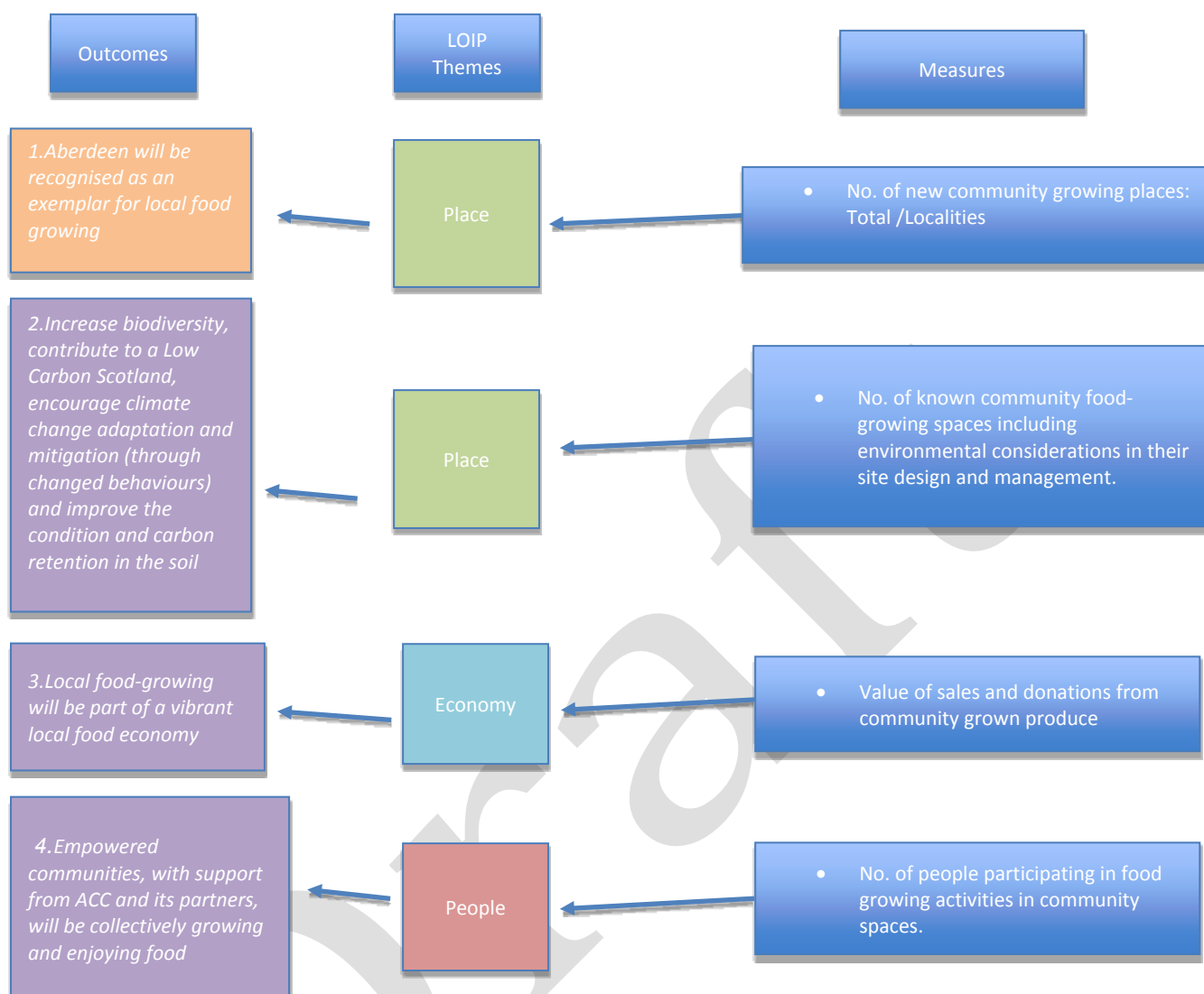
Strategic outcomes and objectives have been themed around place, economy and people:

- We will take steps to make food growing opportunities available to all residents of Aberdeen to improve their health, reduce health inequalities and to alleviate food poverty.
- Embed the requirement to increase biodiversity and climate change adaptation and mitigation within growing spaces through the choice of plants, heritage varieties, site design and management.
- Encourage all forms of community-led enterprise and social enterprise through making available and encouraging the uptake of food-growing opportunities.
- We will endeavour to make all of Aberdeen's food-growing spaces well managed community-empowered places, served by public transport and active travel, with quality facilities accessible by all, as far as is practicable.

To deliver these outcomes the next stage of this process is the creation of an implementation plan. This plan will be co-designed with key stakeholders and will be focused on overcoming any challenges to achieving the objectives set out above.



## 4. The Outcomes



## 5. Risk

The following risks to Aberdeen City Council have been identified, it should be noted however that the implementation of Granite City Growing will require a partnership approach and a collaborative city-wide effort. Key stakeholders will have their own risks specific to their scope and involvement:

- A risk of demand for allotments exceeding supply triggering the statutory duty to take reasonable measures to ensure demand is met.
- ACC fails to act on the duty to prepare a food-growing strategy under the Community Empowerment (Scotland) Act 2015
- Health and wellbeing outcomes of food-growing not realised.
- Widening inequalities in opportunities to 'grow your own'.
- Biodiversity gains not realised.
- Best practice water, biodiversity and soil management advice for food-growing not communicated.
- Failure to fully support Aberdeen's ambition to be a Sustainable Food City.

## 6. Appendices

### Appendix 1 – Related Strategies, Plans, Programmes and Initiatives

Strategies, Plans, Initiatives and programmes	Outcome 1	Outcome 2	Outcome 3	Outcome 4
Sustainable Development Goals	✓	✓	✓	✓
<i>Good Food Nation Bill</i>			✓	
Community Empowerment (Scotland) Act 2015				✓
Local Outcome Improvement Plan	✓	✓	✓	✓
Locality Plans	✓		✓	✓
Local Development Plan	✓	✓	✓	✓
Open Space Strategy	✓	✓		✓
Granite City Good Food strategy and plan	✓		✓	✓
Allotment management policies		✓		✓

### Appendix 2 – Organisations that have Contributed to the Development of the Strategy

- Statutory consultees Scottish Natural Heritage (SNH), Scottish Environment Protection Agency (SEPA) and Historic Environment Scotland
- Food-growing Steering Group consisting of representatives from Aberdeen City Council's Place, Operations and Customer clusters, the Hutton Institute, Community Councils, the Allotment Market Stall, Powis Residents Association, the Civic Forum and from the Community Food Initiative North East (CFINE).
- Greenspace Scotland
- Additional Workshop attendees: Aberdeen Health and Social Care Partnership, Garthdee Allotments, Social Farms and Gardens.

### Appendix 3 – Contact Information

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<https://www.aberdeencity.gov.uk/services/environment/food-growing-strategy>

### Appendix 4 – Additional Information and Guidance: Appendix 4 to the Aberdeen food-growing strategy.

## Additional Information and Guidance: Appendix 4 to the Aberdeen food-growing strategy.

### Granite City Growing: Aberdeen Growing Food Together 2020

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## SUMMARY

'Granite City Growing: Aberdeen Growing Food Together 2020' is Aberdeen's first food growing strategy. It builds on existing requirements and the broad landscape of **community empowerment** brought forward by the Community Empowerment (Scotland) Act 2015<sup>1</sup>. Section s119 of the Act requires that all local authorities prepare a food-growing strategy for their area.

Granite City Growing is a city-wide strategy developed collaboratively by the Aberdeen Food-growing Steering Group consisting of representatives from Aberdeen City Council (Operations, Customer and Place functions), The Hutton Institute, The Community Council Forum, Civic Forum, the Sustainable Food City Partnership Aberdeen, the Allotment Market Stall, the Powis Residents Association and Community Food Initiative North East (CFINE).

The scope of Granite City Growing covers:



- all forms of community growing – where growing activities are collective and voluntary or expressly for community benefit
- all types of growing sites which can support community growing – temporary and permanent
- support for communities to get involved in food growing
- awareness raising and training relating to community growing and the benefits it provides

The strategic context of Granite City Growing is placed within Aberdeen as a 'Sustainable Food City' as taken forward by Granite City Good Food'; the Community Planning Aberdeen's Local Outcome Improvement Plan; and the Aberdeen Local Development Plan.

The strategy describes where we are now, where we would like to be and how we are going to get there. It has been written with input from key stakeholders and informed by engagement activities, surveys and lessons learned from the community food-growing programme since the Autumn 2017. It has also been informed by the Strategic Environmental Assessment undertaken in parallel.

A baseline for 2019 is discussed capturing both quantitative data of existing food-growing spaces and qualitative information with links to the many examples of known community food-growing taking place around Aberdeen city. The supply of existing community food-growing opportunities is mapped alongside potential demand. The existing city-wide situation in Aberdeen is largely in line with the Scottish average. Spatially there is an uneven distribution of existing food-growing opportunities across the city with some communities enjoying above average provision in their vicinity and others having none. The Aberdeen food-growing survey showed that a lack of time and not knowing how to grow food are perceived as the greatest barriers to 'growing your own' locally.

A statement of 'reasonable measures' is included describing what Aberdeen City Council will do to respond to the demand for food-growing opportunities. It presents a methodology of how the Open Space audit information will be used to create a map identifying future opportunity food-growing sites.

The delivery of Granite City Growing will require a partnership approach and a collaborative city-wide effort to achieve the many outcomes which community food-growing has the potential to positively effect. Key actions from the action plan are presented.

'Granite City Growing: Aberdeen Growing Food Together 2020' and its supporting documents is available online from the Aberdeen City Council website <https://www.aberdeencity.gov.uk/services/environment/food-growing-strategy>

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<sup>1</sup> <http://www.legislation.gov.uk/asp/2015/6/section/119/enacted>

## 1. INTRODUCTION : Why do we need a food-growing strategy?

'Granite City Growing: Aberdeen Growing Food Together 2020' will play a key role in nurturing an inclusive city which offers more opportunities for its people to grow their own food. 'Granite City Growing' supports opportunities for community-based activity for those who live in, work in and visit Aberdeen to achieve healthier and more sustainable lifestyles.



Since 2017 Aberdeen has made a commitment to be a Sustainable Food City and a partnership called 'Granite City Good Food'<sup>2</sup> is taking this forward. Granite City Good Food believe that every person in Aberdeen should have access to healthy, tasty, affordable food and that this food should also be good for the environment and our local economy.

The current unsustainable food system is having a significant impact on the planet. A January 2019 report from the EAT-Lancet Commission<sup>3</sup> concluded that "food is the single strongest lever to optimise human health and environmental sustainability on earth. However, food is currently threatening both people and planet." Food has an important part to play in achieving the Sustainable Development Goals<sup>4</sup> set by the United Nations in 2030. Any conversation around how Scotland will reach the 2045 target of net-zero emissions<sup>5</sup> will need to include food and how we source it, use it, value it and grow it.

Scotland has a vision for a healthier future. A Scottish Government July 2018 delivery plan<sup>6</sup> set a vision to create a Scotland where everyone eats well, and we all have a healthy weight. Scotland also has a vision to become a 'Good Food Nation' by 2025<sup>7</sup>.

***The benefits of community food-growing are cross-cutting with implications for health and wellbeing, diet, food-poverty, place-making, reducing 'food miles', intergenerational engagement, waste reduction, outdoor education, physical activity, soil management, adaptation to a changing climate, mental health, greenspace management, recycling of resources and biodiversity.***

Opportunities to 'grow your own' food supports residents to reduce their personal 'foodprint' by sourcing and growing food plants locally. More community food-growing opportunities supports better access to affordable and healthy food; it also has a role to play in reducing social isolation, creating cohesive communities, encouraging physical activity, improving mental wellbeing, supporting educational objectives and creating habitats for wildlife.

Research published in the Journal of Public Health in 2015 found that just one session of gardening in an allotment yielded significant improvements in mood and self-esteem. The activity of growing food can play a key role in promoting mental and physical well-being and could be used as a preventive health measure<sup>8</sup>.

With the right skills, a 250m<sup>2</sup> allotment plot can provide a family of four with their fruit and vegetables for a year<sup>9</sup>. Local food can be grown in many ways: in private gardens, on allotments, on walls and balconies, indoors and out, in communal gardens, schools, workplaces, hospitals, and on reclaimed ground for community use. There is a role for local policy to encourage, strengthen and protect existing opportunities and support new spaces and growers.

<sup>2</sup> <https://www.cfine.org/granite-city-good-food>

<sup>3</sup> <https://eatforum.org/>

<sup>4</sup> <https://globalgoals.scot/>

<sup>5</sup> <https://www.gov.scot/policies/climate-change/climate-change-bill/>

<sup>6</sup> <https://www.gov.scot/publications/healthier-future-scotlands-diet-healthy-weight-delivery-plan/>

<sup>7</sup> <https://www.gov.scot/policies/food-and-drink/good-food-nation/>

<sup>8</sup> <https://www.ncbi.nlm.nih.gov/pubmed/26515229>

<sup>9</sup> <http://www.sags.org.uk/docs/GG3PlanToGrow.pdf>

There are already many initiatives taking place locally targeting inequality, food poverty<sup>10</sup>, mental health and wellbeing and seeking to expand food choices and knowledge of nutrition and cooking. This strategy promotes both the necessity of continued action and further support for food-growing activities that take place in our communities.

'Granite City Growing' has been prepared by Aberdeen City Council (ACC) which has a statutory function (as expressed in the Community Empowerment (Scotland) Act 2015) however the strategy has been written for everyone in Aberdeen with an interest; communities, partners, landowners and citizens. Food-growing is relevant to both community planning and spatial planning and the policy and legislative context in which a food-growing strategy sits is described more fully in appendix 1.

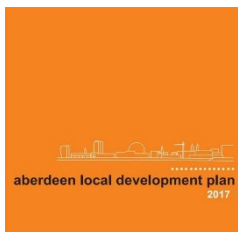
**Community Planning:** Community Planning Aberdeen<sup>11</sup> (CPA) includes Aberdeen City Council, NHS Grampian, Police Scotland, the Aberdeen Civic Forum, Aberdeen Council of Voluntary Organisations, the North East Scotland College and the Active Partnership Aberdeen amongst others. The community planning partners are working towards making Aberdeen a prosperous place; not simply in economic terms, but also in the quality of life for the people of the city.



CPA delivers its ambition through the Local Outcome Improvement Plan (LOIP) which sets the local strategic direction up until 2026. It is based on a needs' assessment undertaken in 2016 and is regularly updated. The LOIP is a key document which underpins the delivery of many different strategies in Aberdeen. The 'Sustainable City Outcome Improvement Group' has responsibility for overseeing the community food-growing actions in the Local Outcome Improvement Plan (see Appendix 2).

As a cross-cutting theme food-growing can help to deliver LOIP stretch outcomes 1,11,12,13 and 14. LOIP stretch outcome 13 states: **no one in Aberdeen will go without food due to poverty by 2026**. The LOIP incorporates the aims of the Anti-Poverty Strategy<sup>12</sup> and is the local Child Poverty Action Plan for Aberdeen<sup>13</sup>. One of the Improvement Aims to deliver the outcomes is to **'increase community food growing in schools, communities and workplaces by 2021'**. This aim will be measured by reporting on four indicators which will be incorporated into the Granite City Growing action plan and in the nine priority neighbourhoods through Locality Plans, overseen by Locality Partnerships. The three Locality Plans are: the Torry Locality Plan<sup>14</sup>; the Woodside, Tillydrone and Seaton Locality Plan<sup>15</sup>; and the Cummings Park, Heathyfold, Northfield, Mastrick and Middlefield Locality Plan<sup>16</sup>.

**Spatial Planning:** Aberdeen's adopted **Local Development Plan 2017** was prepared in the light of Scottish Planning Policy: *"Local development plans should safeguard existing and potential allotment sites to ensure that local authorities meet their statutory duty to provide allotments where there is proven demand. Plans should also encourage opportunities for a range of community growing spaces."* Scottish Planning Policy, 2014 (Paragraph 227<sup>17</sup>).



The requirements of the Community Empowerment (Scotland) Act 2015 mean that Aberdeen City Council has a statutory duty to provide allotment ground according to demand. Aberdeen City Council must consider and plan for future provision. Preparation of the next **Local**

**Development Plan 2022** is already underway and different ways of broadening the scope of food-growing in the Plan are being explored through stakeholder consultation.

The preparation of an **Open Space Strategy**<sup>18</sup> is also a requirement of National Planning Policy. The policy requires the creation of an audit, a strategy and action plans and it aims to ensure that a coordinated approach is taken to protecting and developing the city's network of open space. The Open Space Strategy is currently being refreshed and informed by an open space audit undertaken during 2018-2019. Allotments are included as a subset of open space; and they have a broad definition as 'areas of land used for growing fruit, vegetables or other plants either in individual allotments or as a community activity'.

<sup>10</sup> <https://www.afc.co.uk/2019/02/19/food-and-fun-partnership-wins-principals-award/>

<sup>11</sup> <https://communityplanningaberdeen.org.uk/>

<sup>12</sup> <https://news.aberdeencity.gov.uk/ambitious-priorities-set-out-to-tackle-poverty-in-aberdeen/>

<sup>13</sup> <https://committees.aberdeencity.gov.uk/ieListDocuments.aspx?Cid=619&Mid=6668>

<sup>14</sup> <https://communityplanningaberdeen.org.uk/wp-content/uploads/2017/12/Torry-Draft-Locality-Plan-2017-27-1.pdf>

<sup>15</sup> <https://communityplanningaberdeen.org.uk/woodside-tillydrone-and-seaton/>

<sup>16</sup> <https://communityplanningaberdeen.org.uk/wp-content/uploads/2017/09/Wider-Northfield.pdf>

<sup>17</sup> <https://www.gov.scot/publications/scottish-planning-policy/>

<sup>18</sup> [https://www.aberdeencity.gov.uk/sites/default/files/open\\_space\\_strategy\\_2011\\_2016.pdf](https://www.aberdeencity.gov.uk/sites/default/files/open_space_strategy_2011_2016.pdf)

Granite City Growing will inform the next Open Space Strategy which in turn will inform the next Local Development Plan (LDP) of 2022. See Appendix 6 for more information.

## **2. WHERE WOULD WE LIKE TO BE BY 2026?**

### **2.1 What is our vision?**

The following vision came from a series of workshops with key stakeholders facilitated in early 2018 by greenspace scotland.

#### ***By 2026 we will be an Aberdeen where:***

- **everyone who wants to, has access to food-growing opportunities**
- **people are aware of the benefits of, and opportunities for, local food growing**
- **communities and politicians will understand the link between healthy people, good, local food and a high-quality environment in and around the city.**
- **Community food-growing will continue to be recognised as part of Aberdeen’s policy and strategic priorities.**
- **and where food growing activities deliver:**

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  - **improved health and wellbeing**
  - **stronger communities**
  - **benefits to the local economy**
  - **improvements to Aberdeen’s urban and rural environment and**
  - **improved access to quality fresh food**

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## **2.2 What are our strategic outcomes and objectives?**

Further discussion at the workshops; oversight from the Food-growing Steering Group and the incorporation of statutory guidance formulated the strategic outcomes and objectives taken forward into the Strategic Environmental Assessment and summarised below.

### **1. Overarching – governance and increasing the opportunities to ‘grow your own’.**

**Strategic Outcome:** *Aberdeen will be recognised as an exemplar for local food growing.*

**Strategic Objective:** *We will take steps to make food growing opportunities available to all residents of Aberdeen to improve their health, reduce health inequalities and to alleviate food poverty.*

### **2. Environment – low-carbon living, biodiversity, food-miles, waste.**

**Strategic Outcome** *‘Increase biodiversity, contribute to a Low Carbon Scotland, encourage climate change adaptation and mitigation (through changed behaviours) and improve the condition and carbon retention in the soil.’*

**Strategic Objective** *‘Embed the requirement to increase biodiversity and climate change adaptation and mitigation within growing spaces through the choice of plants, heritage varieties, site design and management.’*

### **3. Economy – social enterprises and the local food economy.**

**Strategic Outcome** *‘Local food-growing will be part of a vibrant local food economy’*

**Strategic Objective** *‘Encourage all forms of community-led enterprise and social enterprise through making available and encouraging the uptake of food-growing opportunities.’*

### **4. People - communities and allotments.**

**Strategic Outcome** *‘Empowered communities, with support from ACC and its partners, will be collectively growing and enjoying food’.*

**Strategic Objective** *‘We will endeavour to make all of Aberdeen’s food-growing spaces well managed community-empowered places, served by public transport and active travel, with quality facilities accessible by all, as far as is practicable.’*

*Aberdeen City Council partnered with greenspace Scotland to capture learning on how to develop a food-growing strategy. The learning note can be found here: <https://www.greenspacescotland.org.uk/food-growing-projects>*



### 3 WHERE ARE WE NOW?

#### 3.1 What Aberdeen has now.

By setting a baseline for 2019 we will be able to measure progress over the lifetime of this strategy. Food-growing requires suitable spaces and people with the skills and motivation to grow their own food. The measurements are therefore a mixture of ‘people’ measures and ‘spaces’ measures.

- There are **3 private ‘allotment’ sites** providing approximately 135 plots.
- There are at least **11 community growing spaces** in Aberdeen.
- There are at least **3 community orchards** in Aberdeen.
- There are at least **14 educational institutions** actively involved in growing food outdoors (3 nursery schools, 9 primary schools, 1 academy and 1 university). Many more are growing food inside the classroom.
- There are 14 local authority Primary schools, 2 local authority Secondary schools, 1 special needs school and 2 independent schools currently active in the **Eco-Schools scheme**<sup>19</sup> 8 of which have recently achieved or renewed Green Flag status (July 2019).<sup>20</sup> A school garden provides an opportunity to advance the themes of the Eco-Schools scheme.<sup>21</sup>
- There are four **Britain in Bloom groups** and 28 **Its Your Neighbourhood Groups** engaging in horticultural activities (not necessarily food-growing).
- As of January 2019 there are **516 allotment plots** overseen by Aberdeen City Council on 21 sites. Of these **473 are available for permanent lease**: 166 are full plots (300 m<sup>2</sup>); 20 three-quarter plots (225 m<sup>2</sup>); 233 half-plots (150 m<sup>2</sup>); 5 plots of 130 m<sup>2</sup>, 3 plots of 110 m<sup>2</sup>, 21 plots of 100 m<sup>2</sup>, 22 plots of 80 m<sup>2</sup> and 3 plots 50 m<sup>2</sup>. A further **43 micro-plots (<50m<sup>2</sup>) are available in Aberdeen** which are offered to people on the waiting list when appropriate. They have proved to be an innovative way to actively engage with the waiting list and to build food-growing skills. In total this equates to approximately **95,000 m<sup>2</sup>** of allotment space provided by Aberdeen City Council. That is equivalent to over 13 football pitches!

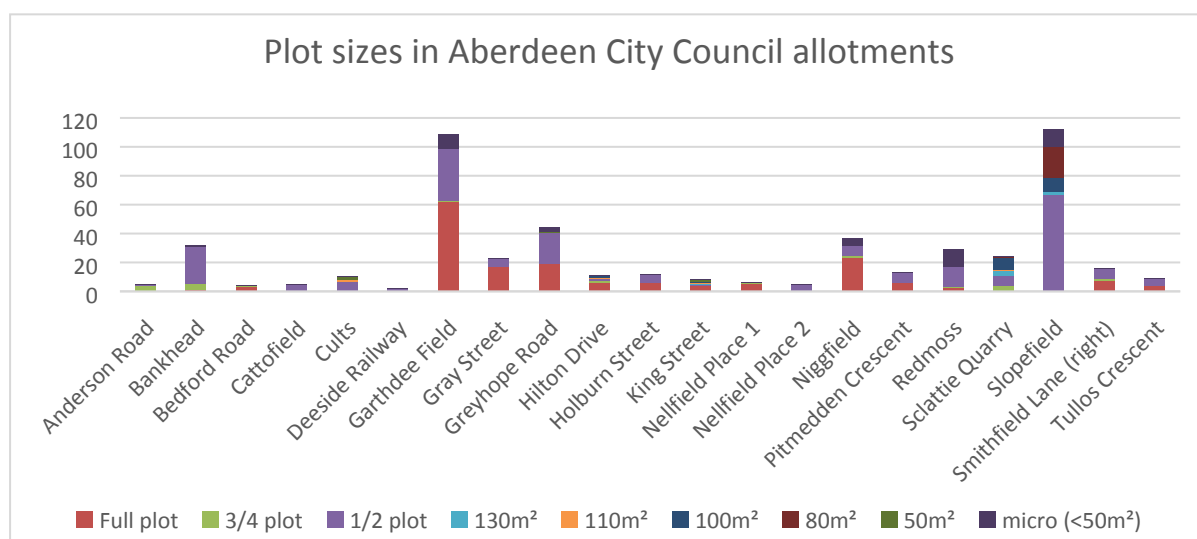


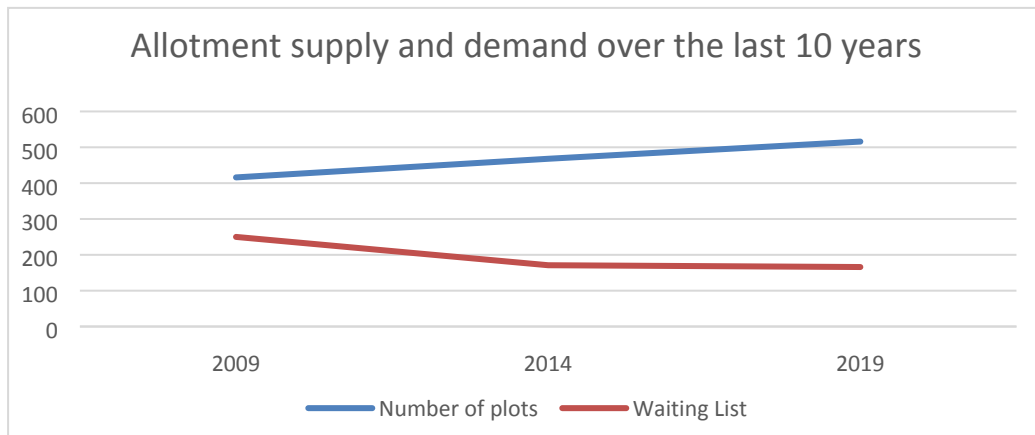
Figure 1: Range of plot sizes available at Aberdeen City Council allotments

<sup>19</sup> <https://www.keepsotlandbeautiful.org/sustainable-development-education/eco-schools/local-authorities/aberdeen-city/>

<sup>20</sup> <https://news.aberdeencity.gov.uk/aberdeen-schools-do-the-double-and-treble-in-winning-environmental-awards/>

<sup>21</sup> <https://www.keepsotlandbeautiful.org/sustainable-development-education/eco-schools/ten-topics/>

- In January 2019 the **allotment waiting list stood at 166 people** (43 of whom were tending to a micro plot); this means that the allotment waiting list at that time was **32%** of the number of plots available.



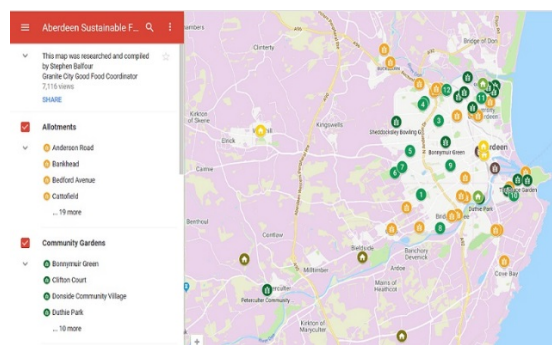
**Figure 2:** The Aberdeen City Council allotment ten-year supply and demand trend.

*The trend over the last ten years should be viewed in the light of the following:*

- more plots have been created from the subdivision of larger plots.
- two private ‘allotment’ sites have been created over the last ten years.
- the Allotments Management Policy 2008 created the Allotments Representatives Network, encouraged allotment associations and led to a more proactive management of sites causing more plots to be brought back into active use more quickly.
- There has been a step up in the frequency of allotment reviews in conjunction with enforcement of Lease Terminations should an allotment holder not respond to recommendations of the reviews. This has improved the frequency of allotments being offered to new growers.
- changes to Aberdeen’s demography over the last ten years. Population increased each year upto 2015 (230,350) and has declined each year since to 228000 people.<sup>22</sup>

From the summer of 2019 the allotment application process has become digital. The allotment waiting list is reported annually.

A local Sustainable **Food Growing Map**<sup>23</sup> was developed alongside the preparation of this strategy. As of August 2019 it has been viewed over 10,000 times. It is available online and has been expanded to show where all the food-growing spaces are in Aberdeen and where other ‘sustainable food’ opportunities exist.



**Figure 3:** The ‘Aberdeen Sustainable Food’ google map signposted from the ACC and CFINE websites. There is also an interactive map available from the Ordnance Survey<sup>24</sup> which shows greenspace nationally.

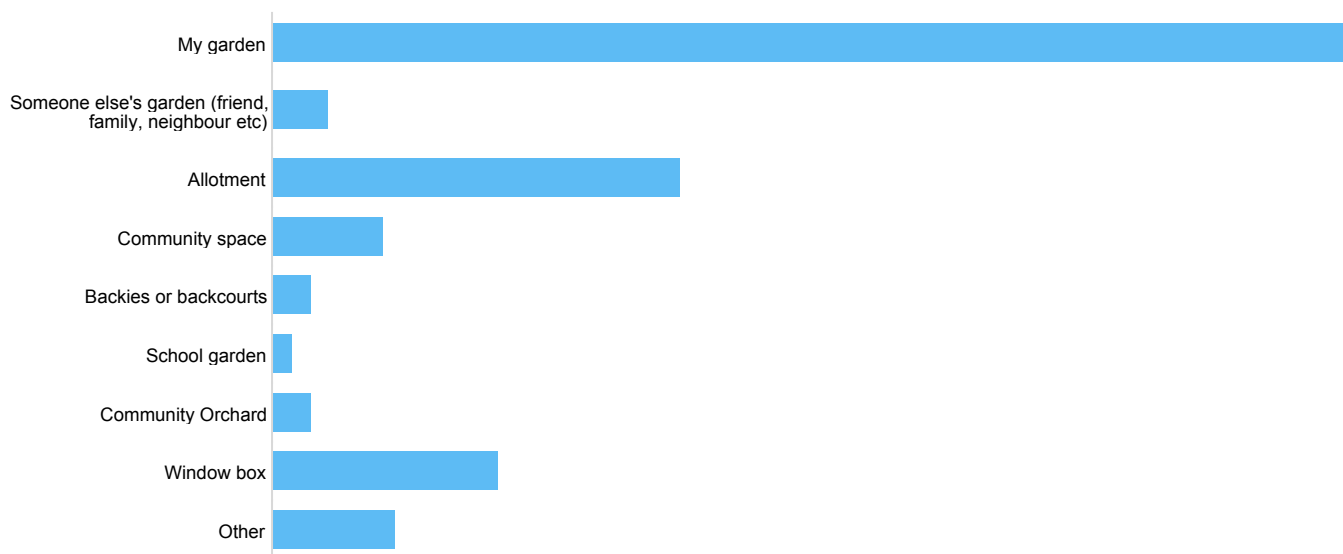
<sup>22</sup> <https://www.aberdeencity.gov.uk/sites/default/files/2019-04/Briefing%20Note%20-%202018%20MYEs%20.pdf>

<sup>23</sup> <https://www.google.com/maps/d/u/0/viewer?mid=109-glRByYBpLLCx077YfbGgom-AdCVV3&ll=57.132906161254446%2C-2.1429937798340006&z=13>

<sup>24</sup> <https://getoutside.ordnancesurvey.co.uk/greenspaces/>

### 3.2 What you said about food-growing in 2018

The Aberdeen City Food-growing survey<sup>25</sup> was conducted throughout February 2018 to inform Granite City Growing. It was conducted through the Aberdeen City Council consultation hub and attracted 394 respondents. Aberdeen citizen’s are currently growing food in the following places:



217 people

**Figure 4:** Where are people currently growing their food?

- When asked *if you don't currently grow your own vegetables, fruit or herbs would you like to?*  
**40% of people said: Yes you would like to grow your own** (160 respondents)
- When asked *if you are already growing your own vegetables, fruit or herbs would you like to grow more?*  
**47% of people said: Yes you would like to grow more** (185 respondents)
- When asked *what, if anything, is stopping you growing your own vegetables, fruit or herbs, you said...*  
**you don't know how to grow food (29%: 115 people)**  
**you don't have the time to grow food (28%: 111 people)**  
**you have no food growing space near to you (17%: 66 people)**  
**you don't have the tools (15% :60 people)**

A greenspace scotland survey in 2017 covering the nation showed that 87% of respondents grew food in their gardens: 7% in allotments and 2% in community gardens.  
<https://www.greenspacescotland.org.uk/FAQs/research-and-surveys>

These results align strongly with a Scottish wide survey conducted by greenspace scotland<sup>26</sup>

### 3.3 What you said about food-growing in 2019

In March 2019 food-growing questions were included in the 43<sup>rd</sup> Aberdeen ‘City Voice’ questionnaire<sup>27</sup>. 38% of respondents had done some gardening in the last four weeks.

<sup>25</sup> <https://www.aberdeencity.gov.uk/services/environment/food-growing-strategy>

<sup>26</sup> Greenspace Use and Attitude Survey (2017) <https://www.greenspacescotland.org.uk/statistics>

<sup>27</sup> <https://communityplanningaberdeen.org.uk/cityvoice/wp-content/uploads/2019/07/Newsletter-43-Final.pdf>

When thinking about green/open space however only 5.5% considered that it was important that it was a good place to grow and or collect fruits, vegetables or herbs. However a significant aspiration for ‘growing your own’ was shown to be the desire to reduce personal environmental impact through making different food choices as shown in Table 1 below.

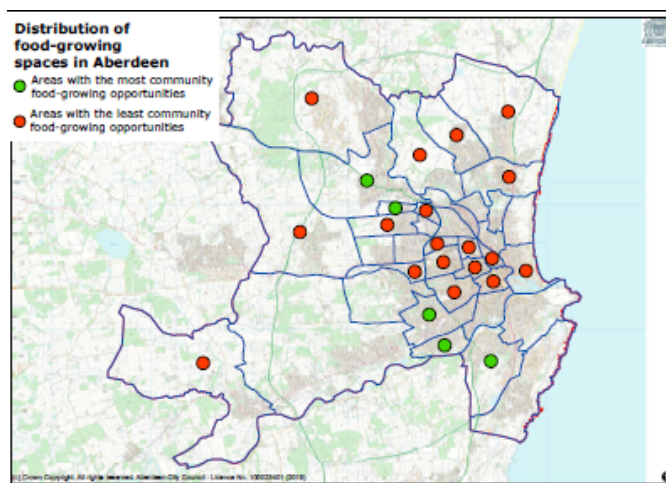
	Currently do		Prepared to do	
	Actual	%	Actual	%
Buy more locally grown and produced food	482	57.9%	350	42.1%
Grow your own fruits, vegetables, herbs and flowers	199	41.8%	277	58.2%
Eat less meat and /or dairy products	362	61.8%	224	38.2%
Other	<ul style="list-style-type: none"> <li>• Buy loose fruit and veg</li> <li>• Do shopping as part of travel to other places</li> <li>• Plan meals and don't buy food that isn't on the plan</li> </ul>			

**Table 1:** Would you reduce the impact of your food choices? (from 43<sup>rd</sup> City Voice)

### 3.4 Do people have good access to food-growing opportunities in Aberdeen in 2019?

Food-growing opportunities take many forms; some are publicly accessible and some are privately accessible. Many people will be using their own gardens to grow food; others will have balconies and windowsills or have access to the gardens of friends or relatives. Other opportunities exist in ‘semi-public’ spaces on land with shared access to neighbouring residents, for example on ‘backies’, shared private gardens and in school gardens. Allotments are available to all residents of Aberdeen but each plot is leased for private use. There are also purely public spaces where communities can grow food flexibly and make their own arrangements for access.

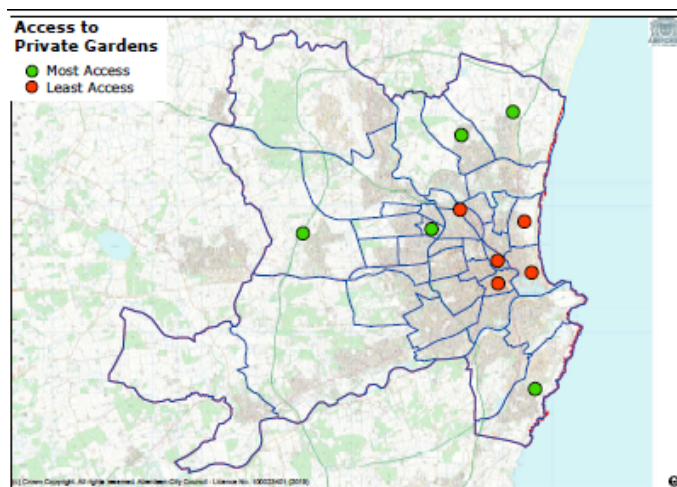
In Scotland the existing allotment provision stands at approximately 2 plots per 1000 people<sup>28</sup>. In Aberdeen, in 2019, we have 2.25 allotment plots per 1000 people. If private allotment plots are included it rises to 2.85 plots per 1000 people. An analysis of food-growing opportunities by Aberdeen ‘neighbourhoods’ has been conducted. Whilst it is recognised that each neighbourhood is open for people from other neighbourhoods to visit and make use of existing food-growing opportunities it is useful to identify ‘hot-spots’ and ‘deserts’ in existing provision.



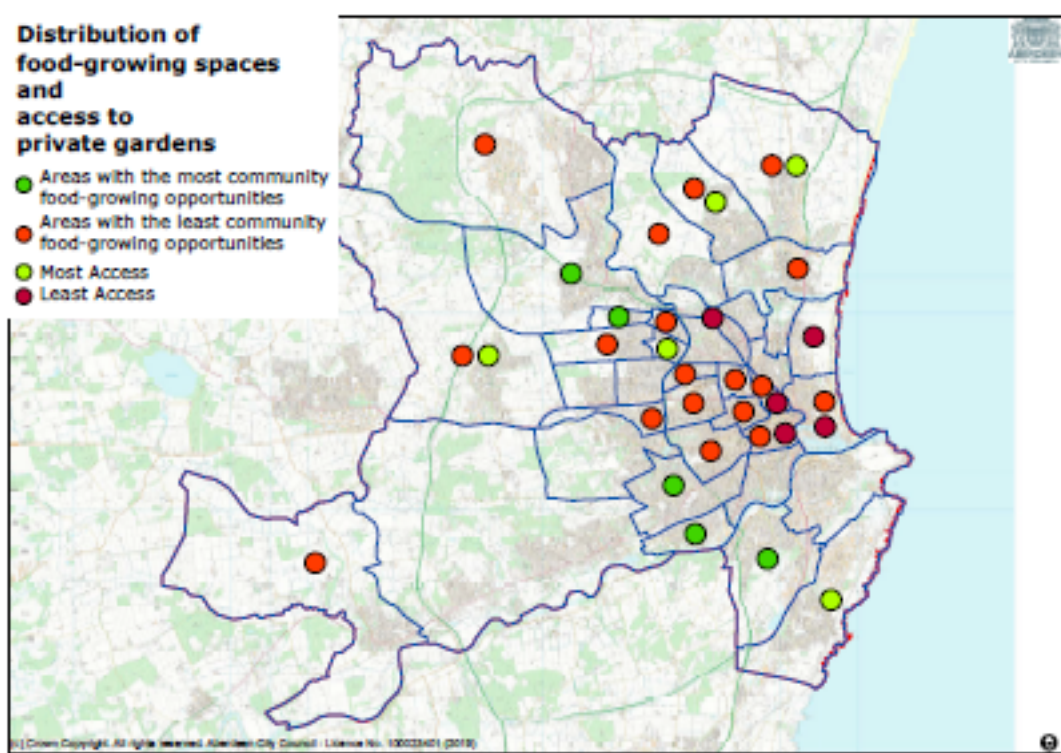
**Figure 5:** Distribution of food-growing opportunities (allotments plots and other known food-growing spaces). The areas in red have no known spaces; the areas in green have over 6 spaces per 1000 people)

<sup>28</sup> <http://www.sags.org.uk/docs/GG3PlanToGrow.pdf>

Availability of privately accessible food-growing spaces is assumed to follow the proportion of households with gardens. In Aberdeen 55% of households live in flats; this is higher than the Scottish average of 36%<sup>29</sup>. It is assumed that access to private garden space is least in neighbourhoods with the highest proportion of flats. The percentage of households living in flats has been used to measure latent demand for community food-growing spaces in neighbourhoods.



**Figure 6:** Distribution of access to private gardens. The areas in red are where over 90% of households live in flats; the areas in green are where fewer than 14% of households live in flats.



**Figure 7:** Combined map of food-growing opportunities from both community spaces and private gardens.

The distribution of allotment sites and other community food-growing spaces in Aberdeen is imbalanced. People living in the south of the city have the most existing provision. People living in the city centre and to the west of the city have the least provision.

<sup>29</sup> <https://www.nrscotland.gov.uk/statistics-and-data/geography/our-products/census-datasets/2011-census/2011-indexes>

### **3.5 Do people have good access to food-growing opportunities in the priority localities?**

Of the 516 allotment plots in Aberdeen City Council allotment sites 61 are sited in one of the three priority localities experiencing most socio-economic need. A further 107 allotment plots are within 800 metres of the three priority localities. Therefore 32% of the total Aberdeen City Council allotment plots are within walking range of the localities experiencing most socio-economic need. In addition one of the private 'allotment' sites is sited in one of the three priority localities and another is within walking range providing access to approximately 100 more plots. Of the eleven community growing spaces in Aberdeen six are within the localities experiencing most socio-economic need and a further four are within 800 metres.

### **3.6 What else is happening in Aberdeen?**

There are many good examples in Aberdeen of food-growing spaces being led by communities. Local case studies will be added to the Aberdeen City Council website<sup>30</sup> as they become available.

There are three private allotment sites in Aberdeen<sup>31</sup>: [Heathryfold](#), [Sunnybank](#) and Nether Loirston. Two of the biggest Aberdeen City Council allotments<sup>32</sup> are run by constituted groups; [Slopefield](#) and [Garthdee](#)<sup>33</sup> who both actively engage with local schools and community groups.

The [Powis Residents Group](#) oversee a wide range of food-growing activities in their local area. Unused bowling greens are being converted into community food-growing spaces at [Bonnymuir Green](#) and [Springhill Community Garden](#) at Sheddocksley. The [Tullos Community and Wildlife Garden](#) is actively growing, holding events and engaging locally. There is a community garden at [St.Fitticks](#) with evolving plans for the future. [Brighter Bucksburn](#) have developed and maintain a herb garden and orchard.

Aberdeen City Council runs the [Grove Nursery](#) at Hazlehead which is actively used by the wider community including social enterprises, charities and schools. It also oversees a community garden at [Duthie Park](#).

There is considerable engagement taking place city-wide with school and nursery children. One Seed Forward and the University of Aberdeen created three school gardens and created educational materials which have been distributed to all schools in Aberdeen: [OSF Garden Schools](#). An [Edible Walls](#) toolkit has been developed by council officers and has been built in at least five schools and nurseries. [Gardening4kids](#) runs lessons for children. [The Royal Northern Countryside Initiative](#) has focussed on food-growing in the classroom linking it to tasting food and cooking lessons, distributing 77 growing boxes and engaging with nearly 2000 children. [RHS Groovy Growits](#) have provided gardening workshops at Duthie Park for children. [Project Craster](#) is Aberdeen City Council's project providing fun, educational materials and support to primary schools wishing to grow fruit and vegetables and making a link to biodiversity.

There are also many good examples already in Aberdeen of other food-growing initiatives which are growing skills and turning people's attention to 'growing their own'. In early 2019 the following organisations and projects are leading the way. [The Allotment Market Stall](#) is collecting surplus food from allotments and selling it to local people from stalls sited in Aberdeen parks. Aberdeen Inspired's [Urban Bee Project](#) partners with Aberdeen Alcohol & Drugs Action to explore the therapeutic benefits of beekeeping alongside wider engagement. [The Council Gardener](#)<sup>34</sup>, Daniel Shand, regularly vlogs about topics linked to community food-growing. [One Seed Forward](#) widely engages with schools and other groups and individuals to plant and share potatoes. [Cultivate Aberdeen](#) is a Scottish Charitable Incorporated Organisation with the aim to 'create kind, confident, and connected communities through the power of food-growing'. [The RHS](#) actively promotes community gardening to its local Britain In-Bloom groups and Its Your Neighbourhood

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<sup>30</sup> <https://www.aberdeencity.gov.uk/services/environment/food-growing-strategy>

<sup>31</sup> <https://www.aberdeencity.gov.uk/services/leisure-culture-and-parks/allotments/private-allotment-sites>

<sup>32</sup> <https://www.aberdeencity.gov.uk/services/leisure-culture-and-parks/allotments>

<sup>33</sup> <https://www.greenspacescotland.org.uk/Handlers/Download.ashx?IDMF=5e0b9f73-fae6-4d88-9973-c6e8f407c775>

<sup>34</sup> Council Gardener David Shand has his own vlog *The Council Gardener* <https://www.greenspacescotland.org.uk/news/its-bloomin-lovely-in-aberdeen>

groups. A new social enterprise, Common Weal Cider, could increase foraging opportunities in Aberdeen and encourage the planting of a 'dispersed orchard'. Community Food Initiative North East [CFINE](#) is an established social enterprise well placed to make connections between food-growing and wider issues around sustainability and access to food. [The Aberdeen Multicultural Centre](#) have a vegetable growing initiative encouraging people to grow their own.

The Aberdeen University Students Association runs [AberGreen](#) which includes a community garden. [The James Hutton Institute](#) has its own allotments and its research into food and agriculture supports food initiatives across Scotland and worldwide.

Competitions are run each year and act as a driver for excellence and a source of publicity and recognition. Some are quite local like the 'Bonny Torry'<sup>35</sup> competition. The following are both city-wide awards competitions:

- [Aberdeen In Bloom Garden Competition](#) is run by Aberdeen City Council and its partners each year. It includes both a 'city allotment' category and a 'school garden' category.
- [Aberdeen EcoCity Awards](#) is run by Aberdeen City Council each year. It recognizes individuals and projects which contribute to making Aberdeen a more sustainable city. Many entries include food-growing. A new sustainable food category was included for 2018.

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<sup>35</sup> <https://www.aberdeency.gov.uk/sites/default/files/2019-05/Newsbite%2048%20FINAL.pdf>

## 4 WHAT ARE WE GOING TO DO?

This section discusses how we will move from where we are now to where we would like to be.

Aberdeen City Council will develop and maintain an action plan in partnership with key food-growing stakeholders. The action plan will be a living document; regularly reviewed and updated. The strategy has been written for everyone in Aberdeen with an interest; communities, partners, landowners and citizens. It will be taken forward by individuals and organisations across Aberdeen and, in particular, Community Planning Aberdeen<sup>36</sup> (CPA) which includes Aberdeen City Council, NHS Grampian, Police Scotland, the Aberdeen Civic Forum, Aberdeen Council of Voluntary Organisations, the North East Scotland College and the Active Partnership Aberdeen amongst others. Further delivery partners are the Aberdeen Health and Social Care Partnership, the community councils and the Community Council Forum, Robert Gordons' University, the University of Aberdeen and SRUC. Key actions are shown in Tables 2,3 and 4.

### 4.1 What has been learned and what can be done?

Granite City Growing has been written in the light of what we have learned so far. Appendix 2 shows what has taken place to inform the development of the strategy.

In 2017 Aberdeen City Council put £145,000 towards the development of this strategy and to assist in setting up innovative food-growing projects; especially in the priority localities. The progress of the Community Food-growing programme has been reported through Aberdeen City Council committees<sup>37,38</sup>. The key learning points collected from the community food-growing programme are summarized below:

- Supporting food-growing requires a cross-cutting approach; as it sits within both spatial planning and community planning and is relevant to five LOIP outcomes being delivered by a range of partners and ACC clusters.
- The community growing projects are only sustainable if communities are actively involved in their stewardship..
- Flexibility and partnership are important when supporting projects. There are many good projects and initiatives happening already but co-ordination and awareness of one another could be improved.
- Visibility leads to increased demand.
- Future resourcing of projects must be sought and maintained.

What we learned from the community food-growing programme	We will help by....	We can achieve even more by...
'a cross-cutting approach is needed'	Maintain a food-growing steering group to oversee the action plan.	Working with partners to express the ambition of Granite City Growing consistently in other local programmes, policies and plans

<sup>36</sup> <https://communityplanningaberdeen.org.uk/>

<sup>37</sup>

<https://committees.aberdeencity.gov.uk/documents/s73137/CHI.17.162%20Community%20Food%20Growing%20Programme.pdf>

<sup>38</sup> <https://committees.aberdeencity.gov.uk/documents/s87830/PLA18062%20-%20Community%20Food%20Growing%20Prgramme.pdf>



<p><b>‘ownership by the community builds in sustainability’</b></p>	<p>Streamline the process of accessing information, advice and support regarding external food-growing enquiries.</p>	<p>Facilitating food-growing groups in connection to the Community Café network</p> <p>Working with priority communities to develop ‘locality plans’ which include food-growing.</p>
<p><b>‘flexibility and partnership’</b></p>	<p>Streamline the internal ACC process of accessing information, advice and support regarding external food-growing enquiries.</p> <p>Publish and disseminate best practice case studies showcasing what is happening in Aberdeen to inform new potential projects.</p> <p>Encourage allotment-holders and community food-growing spaces to engage with their local communities.</p>	<p>Encourage land-owning partners to consider setting up their own community food-growing spaces and increasing foraging opportunities for their own workforces, customers or for the wider community.</p> <p>Support an active, City-wide food-growing network for sharing best practice and local growing knowledge.</p>
<p><b>‘visibility’</b></p>	<p>Include food-growing spaces in new community assets whenever possible; especially in new schools and nurseries.</p> <p>Encourage new and existing food-growing projects to maximise visibility through site selection and design.</p> <p>Investigate providing further food-growing spaces and foraging opportunities in public parks and gardens in Aberdeen.</p> <p>Encourage developers through the planning process to include food-growing and foraging opportunities within their plans.</p>	<p>Consider signing existing food-growing spaces on the ground where they are hard to locate.</p> <p>Consider developing a food-trail or local event to promote existing activities.</p> <p>Encourage land-owning partners to consider setting up their own community food-growing spaces and increasing foraging opportunities for their own workforces, customers or for the wider community.</p> <p>Link community grown food to local food outlets as far as is practicable.</p> <p>Plan and execute an awareness raising campaign.</p>
<p><b>‘future resourcing’</b></p>	<p>Develop a process to increase the flow of developer contributions towards food-growing making use of ‘community asset plans’ and local planning guidance.</p> <p>Work with colleagues to express the ambition of Granite City Growing consistently in the evolving Open Space Strategy, adopted Aberdeen Local Development Plan and refreshes of the LOIP and Locality Plans.</p> <p>Develop a process to trial the redirection of budget streams to</p>	<p>Work with community planning partners to redirect budget streams and funding opportunities towards food-growing to achieve LOIP outcomes.</p>

	support food-growing projects on Housing Revenue Account land.	
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**Table 2:** Key actions from the Action Plan responding to what we learned from the community food-growing programme.

In accordance with EU legislation a Strategic Environmental Assessment<sup>39</sup> has been completed for Granite City Growing. The requirement for a Habitats Regulations Appraisal has also been concluded. Both the SEA and HRA identified opportunities to develop best practice guidance for growers to encourage sustainable practices, minimise risks and maximise benefits to wildlife and the local environment.

What we learned from SEA and HRA process	We will help by....	We can achieve even more by...
‘enhance the positive effects of Granite City Growing’	<p>Signpost to examples of good practice online and / or create new information for appropriate dissemination</p> <p>Encourage developers through the planning process to include biodiversity gain and climate adaptation aspects of food-growing and foraging opportunities within their plans.</p> <p>Supply and signpost allotment holders to best practice in order to maximise the environmental and social benefits of food-growing.</p>	<p>Working with local experts to investigate the best ways to encourage allotment holders and other food-growing project managers to include rainwater harvesting on their sites, to increase biodiversity, include organic soil management and composting and include bee hives and planting for pollinators on their sites.</p> <p>Raise awareness between community food-growing / ‘grow-your-own’ and reducing the carbon mileage of food and waste.</p> <p>Work with partners to signpost training and learning exchange opportunities.</p>
‘reduce the risks of negative impacts’	<p>Seek the advice of local experts if food-growing projects are to be located in the Dee catchment.</p> <p>Streamline the internal ACC process of accessing information, advice and support regarding external food-growing enquiries to include contaminated land advice and biodiversity advice at an early stage in the identification of sites and projects.</p>	

**Table 3:** Key actions from the Action Plan responding to what we learned from the SEA and HRA process.

#### **4.2 What you said you needed and what can be done**

In the Aberdeen City Food-growing survey conducted throughout February 2018 (see Section 2.2), respondents were asked what support was needed to start growing or producing more of their own vegetables, fruit or herbs?

**47%** of people said **they needed advice on what and how to grow** (186 respondents)

<sup>39</sup> <https://www.aberdeencity.gov.uk/services/environment/strategic-environmental-assessment>

27% of people said **they needed help to find a suitable growing space** (106 respondents)

19% of people said **they needed help accessing equipment (e.g. gardening tools)**  
(75 respondents)

14% of people said **they needed advice on how to use the vegetables, fruit or herbs**  
(55 respondents)

13% of people said **they needed help to get a group started locally** (52 respondents)

9% of people said **they needed funding advice** (37 respondents)

<b>Communities said...</b>	<b>We will help by....</b>	<b>We can achieve even more by working together to...</b>
<b>'advice on what and how to grow'</b>	<p>Encourage allotment-holders to engage with their local communities.</p> <p>Consider making Grove Nursery at Hazlehead a local centre of excellence in food-growing.</p> <p>Update and signpost good advice for new allotment holders and community gardeners.</p>	<p>Signpost relevant organisations or good relevant food-growing advice and support from partner websites.</p> <p>Support an active, City-wide food-growing network for sharing best practice and local growing knowledge.</p>
<b>'help to find a suitable growing space'</b>	<p>Display existing food-growing opportunities on the Aberdeen Sustainable Food online map.</p> <p>Display new food-growing opportunities on a map displayed from the partner websites.</p>	<p>Encourage and support communities to use available 'Housing Revenue Account' land for food-growing.</p> <p>Community Planning partners will work with priority communities to include food-growing in all three locality plans.</p>
<b>'help accessing equipment'</b>	<p>Encourage the setting up of 'tool libraries' in community food-growing projects.</p>	<p>Divert gardening equipment from the waste-stream for reuse.</p>
<b>'advice on how to use the vegetables, fruit or herbs'</b>	<p>Signposting advice from relevant local partner websites.</p>	<p>Support training in food-growing skills alongside cooking and preservation skills.</p> <p>Include food-growing information in 'food conversations' held by local health professionals in the community.</p>
<b>'help to get a group started locally'</b>	<p>Signposting advice from relevant local partner websites.</p>	<p>Support an active, City-wide food-growing network for sharing best practice and local growing knowledge.</p>
<b>'funding advice'</b>	<p>Funding advice will be signposted from relevant local partner websites.</p>	<p>Support an active, City-wide food-growing network for sharing best practice and local growing knowledge.</p>

**Table 4:** Key actions from the Action Plan responding to what you said you wanted.

### 4.3 Aberdeen City Council's role.

Aberdeen City Council (ACC) is developing a map of 'opportunity sites' identifying land across Aberdeen which it considers suitable for allotments or other land that could be used by a community for the cultivation of vegetables, fruit, herbs or flowers. Sites suitable for becoming allotments will be identified using criteria appropriate to growing into the soil on a regular shaped and sized plot. Sites suitable to also being used by the community for the cultivation of vegetables, fruit, herbs or flowers will be identified using criteria appropriate to growing in a more flexible way ie not necessarily into the soil nor in a regular shaped or sized plot.

The 'opportunity sites' map will be publicly available so that communities and partners can make use of it if they require assistance in finding suitable land for new food-growing projects.

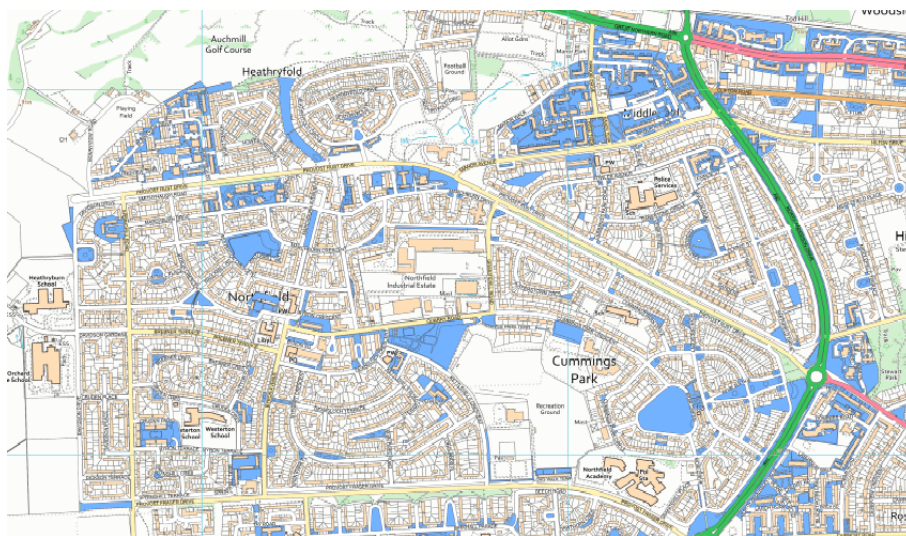
**The Food-growing 'opportunity sites' map** will be used to routinely inform decision-making to help make the best use of resources in supporting the vision of Granite City Growing.

The 'opportunity sites' map will initially be based on the 'Housing Amenity' layer available publicly through the Contact Centre Web Map Application from the Aberdeen City Council website:

<http://accvbsgisa02.acc.gov.uk/arcgis/apps/webappviewer/index.html?id=413d9c5290674db89ecbe7cd2ca60e52>

Housing Amenity land is predominately owned and maintained by Aberdeen City Council using payment from the Council's Housing Revenue Account (HRA). The map will be refined and expanded using data from the Open Space Audit and using the process described in Figure 9. It will be consulted on publicly in 2020 and published on the Council's website.

Food-growing projects which come forward on Council owned land will need to be co-designed with the relevant Council clusters.



**Figure 8** : An example of the Housing Amenity land taken from the Contact Centre Web Map App.

In order to support new projects to best achieve the ambition of Granite City Growing, ACC will prioritise projects in the following areas:

- areas where local demand has been demonstrated.
- areas with existing gaps in provision.
- areas with a lower proportion of private gardens.
- areas within the priority localities.

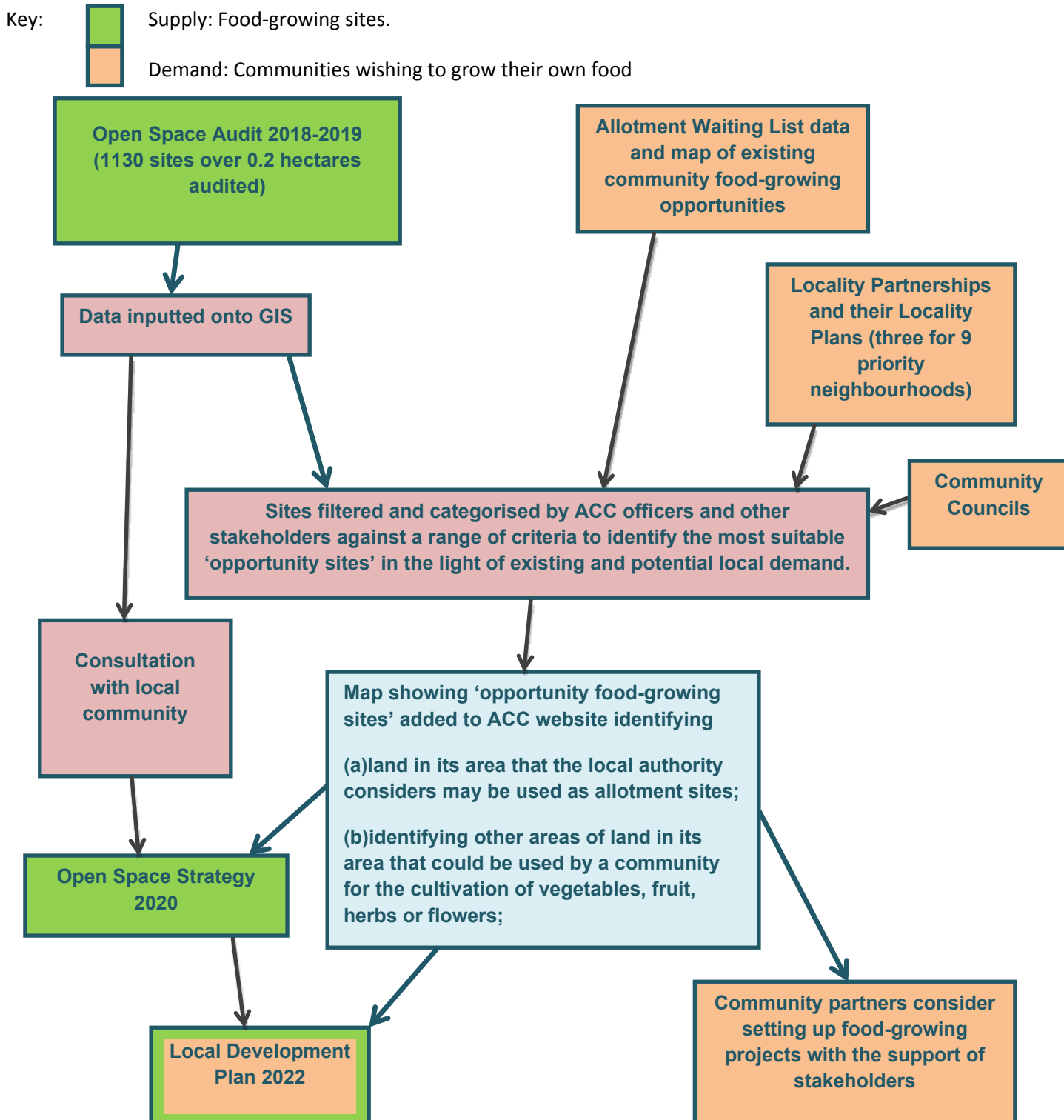
- areas where community capacity or partner capacity is evident

The Community Empowerment (Scotland) Act 2015 further requires ACC takes 'reasonable measures' to increase the provision of allotments or other areas of land that could be used for food-growing when the waiting list exceeds half the total number of allotments or when people are remaining on the allotment waiting list for a continuous period of more than five years.

Aberdeen City Council will report its allotment waiting list at least annually. If reasonable measures are triggered the Council will 1) make best use of the information and resources available; including the strategy, map and allotment waiting list to redirect existing resources and access new resources 2) work with partners and communities to co-create new opportunities.

In order to support new projects to best achieve the ambition of Granite City Growing once the trigger has been reached, projects will be prioritised and facilitated ***in the areas where local demand has been demonstrated via the allotment waiting list*** in the following areas:

- areas with existing gaps in provision.
- areas with a lower proportion of private gardens.
- areas within the priority localities.
- areas where community capacity / partner capacity is evident



**Figure 9:** How ACC will create and maintain a map of 'opportunity food-growing spaces'

#### 4.4 Resourcing food-growing.

There are many external funding pots available to community groups for well-defined projects. Community Engagement professionals have a role to play in helping groups come together to define food-growing projects and source external funding. Community planning partners will be encouraged to support food-growing in ways appropriate to their reach and available resources.

Local community groups have applied for funding from Tesco Bags of Help, their Community Councils, the Greggs Foundation, the Scottish Landfill Community Fund, the Climate Challenge Fund, Investing in Communities Fund and the local Health Improvement Fund (run by the Aberdeen Health and Social Care Partnership) and the Fairer Aberdeen Fund for example.

By supporting an active, City-wide food-growing network, it is anticipated that the availability of non-financial resources (such as volunteers, tools, seeds and plants) in addition to knowledge of funding opportunities will be better communicated and accessed.

Opportunities for Aberdeen City Council to support food-growing through existing budgets have been considered in the preparation of Granite City Growing. There is potential for participatory budgeting, developer obligations, the Common Good Fund, Pupil Equity Funding and existing grounds maintenance budgets to be useful in supporting further food-growing opportunities and this will be explored more fully as Granite City Growing progresses.

## APPENDICES

**Appendix 1** The Aberdeen, Scottish and International context and list of relevant policies, programmes and strategies.

**1.1 The Aberdeen city-wide Context;** key Plans, Policies and Strategies (PPS) were reviewed and considered in the development of the food-growing strategy. This list is not exhaustive and many other PPS and reports will be relevant, including organisation specific PPS developed by the stakeholders involved.

PPS	REFERENCE
New Urban Agenda 2017	<a href="http://habitat3.org/wp-content/uploads/NUA-English.pdf">http://habitat3.org/wp-content/uploads/NUA-English.pdf</a>
Scottish Government's Strategic Objectives 2007	<a href="http://www.gov.scot/About/Performance/scotPerforms/objectives">http://www.gov.scot/About/Performance/scotPerforms/objectives</a>
Scotland's National Food and Drink Policy: Good Food Nation 2014	<a href="http://www.gov.scot/Resource/0045/00453219.pdf">http://www.gov.scot/Resource/0045/00453219.pdf</a>
Scotland's Economic Strategy 2015	<a href="http://www.gov.scot/Resource/0047/00472389.pdf">http://www.gov.scot/Resource/0047/00472389.pdf</a>
National Performance Framework 2016	<a href="http://www.gov.scot/Resource/0049/00497339.pdf">http://www.gov.scot/Resource/0049/00497339.pdf</a>
Plenty – Food, farming and health in a new Scotland 2016	<a href="http://www.foodcoalition.scot/uploads/6/2/6/8/62689573/plenty_complete.pdf">http://www.foodcoalition.scot/uploads/6/2/6/8/62689573/plenty_complete.pdf</a>
Far reaching fare	<a href="https://www.communityfoodandhealth.org.uk/wp-content/uploads/2013/04/CFHS-far-reaching-fare.pdf">https://www.communityfoodandhealth.org.uk/wp-content/uploads/2013/04/CFHS-far-reaching-fare.pdf</a>
Empowering Scotland's Cities 2016	<a href="https://www.scottishcities.org.uk/site/assets/files/1184/empowering_city_government.pdf">https://www.scottishcities.org.uk/site/assets/files/1184/empowering_city_government.pdf</a>
National Allotment Society Policies	<a href="https://www.nsalg.org.uk/resources-and-downloads/national-allotment-society-policies/">https://www.nsalg.org.uk/resources-and-downloads/national-allotment-society-policies/</a>
Menu for change	<a href="http://menuforchange.org.uk/">http://menuforchange.org.uk/</a>
Good Food Nation Bill	<a href="http://www.nourishscotland.org/wp-content/uploads/2017/10/Good-Food-Nation-Bill-background-briefing-Oct-2017.pdf">http://www.nourishscotland.org/wp-content/uploads/2017/10/Good-Food-Nation-Bill-background-briefing-Oct-2017.pdf</a> and <a href="http://www.gov.scot/Publications/2014/06/1195/0">http://www.gov.scot/Publications/2014/06/1195/0</a>
Granite City Good Food Charter	<a href="http://sustainablefoodcities.org/Portals/4/Documents/charters/SFCPA%20Food%20Charter.pdf">http://sustainablefoodcities.org/Portals/4/Documents/charters/SFCPA%20Food%20Charter.pdf</a>
Towards a Fairer Aberdeen 2017-2020	<a href="https://committees.aberdeencity.gov.uk/documents/s67197/CHI.17.004%20-%20Towards%20A%20Fairer%20Aberdeen%20Final%20Appendix%20A.pdf">https://committees.aberdeencity.gov.uk/documents/s67197/CHI.17.004%20-%20Towards%20A%20Fairer%20Aberdeen%20Final%20Appendix%20A.pdf</a>
Sustainable Food City Partnership Aberdeen Action Plan Allotments Management Policy (dated 2008)	<a href="http://sustainablefoodcities.org/findacity/cityinformation/userid/462">http://sustainablefoodcities.org/findacity/cityinformation/userid/462</a> <a href="http://www.aberdeencity.gov.uk/web/files/ns_allotments/allotment_management_policy2009.pdf">http://www.aberdeencity.gov.uk/web/files/ns_allotments/allotment_management_policy2009.pdf</a>
Deprivation In Aberdeen City, An analysis of the Scottish Index of Multiple Deprivation 2016	<a href="http://www.aberdeencity.gov.uk/nmsruntime/saveasdialog.asp?IID=73363&amp;slD=332">http://www.aberdeencity.gov.uk/nmsruntime/saveasdialog.asp?IID=73363&amp;slD=332</a>
Regional Economic Development Strategy	<a href="https://www.aberdeencity.gov.uk/sites/aberdeen-cms/files/Regional_Economic_Strategy_0.pdf">https://www.aberdeencity.gov.uk/sites/aberdeen-cms/files/Regional_Economic_Strategy_0.pdf</a>
Aberdeen Adapts	<a href="https://www.aberdeencity.gov.uk/services/environment/climate-change/adapting-climate-change">https://www.aberdeencity.gov.uk/services/environment/climate-change/adapting-climate-change</a>
Food Poverty Action Aberdeen	<a href="https://foodpovertyactionaberdeen.org/">https://foodpovertyactionaberdeen.org/</a>
Allotments Policy and Action Plan	<a href="http://www.sags.org.uk/docs/AllotmentStrategies/AberdeenActionPlan.pdf">http://www.sags.org.uk/docs/AllotmentStrategies/AberdeenActionPlan.pdf</a>
Local Development Plan (and accompanying supplementary guidance).	<a href="http://www.aberdeencity.gov.uk/nmsruntime/saveasdialog.asp?IID=74821&amp;slD=9484">http://www.aberdeencity.gov.uk/nmsruntime/saveasdialog.asp?IID=74821&amp;slD=9484</a>
Housing Strategy	<a href="https://news.aberdeencity.gov.uk/consultation-to-shape-aberdeens-local-housing-strategy/">https://news.aberdeencity.gov.uk/consultation-to-shape-aberdeens-local-housing-strategy/</a>
Open Space Strategy 2011 – 2016 (currently under review)	<a href="http://www.aberdeencity.gov.uk/nmsruntime/saveasdialog.asp?IID=42832&amp;slD=11561">http://www.aberdeencity.gov.uk/nmsruntime/saveasdialog.asp?IID=42832&amp;slD=11561</a>
Nature Conservation Strategy 2010-2015 (currently under review)	<a href="http://www.aberdeencity.gov.uk/web/files/Natural_Heritage/Nature_Strategy_Dec2015_extended.pdf">http://www.aberdeencity.gov.uk/web/files/Natural_Heritage/Nature_Strategy_Dec2015_extended.pdf</a>
Tree and Woodland strategy (currently being drafted)	Draft not yet available on line.
Pollinator Strategy for Scotland 2017-2027	<a href="http://www.snh.gov.uk/docs/A2360102.pdf">http://www.snh.gov.uk/docs/A2360102.pdf</a>
Scotland's Biodiversity: a Route Map to 2020	<a href="http://www.gov.scot/Resource/0048/00480289.pdf">http://www.gov.scot/Resource/0048/00480289.pdf</a>
Polli Nation	<a href="http://www.polli-nation.co.uk/">http://www.polli-nation.co.uk/</a>
Scottish Government Malnutrition Summit 2015	<a href="https://www.communityfoodandhealth.org.uk/wp-content/uploads/2015/11/malnutrition-summit-report.pdf">https://www.communityfoodandhealth.org.uk/wp-content/uploads/2015/11/malnutrition-summit-report.pdf</a>
The nature and extent of food poverty 2015	<a href="https://www.communityfoodandhealth.org.uk/wp-content/uploads/2015/07/25717-The-nature-and-extent-of-food-poverty_2015.pdf">https://www.communityfoodandhealth.org.uk/wp-content/uploads/2015/07/25717-The-nature-and-extent-of-food-poverty_2015.pdf</a>
Dignity, Ending Hunger Together In Scotland 2016	<a href="http://www.gov.scot/Resource/0050/00502395.pdf">http://www.gov.scot/Resource/0050/00502395.pdf</a>
Urban Green Space interventions and health	<a href="http://www.euro.who.int/_data/assets/pdf_file/0010/337690/FULL-REPORT-for-LLP.pdf?ua=1">http://www.euro.who.int/_data/assets/pdf_file/0010/337690/FULL-REPORT-for-LLP.pdf?ua=1</a>



## **1.2 The Scottish Context**

### **a) The Community Empowerment (Scotland) Act 2015**

The Community Empowerment (Scotland) Act 2015<sup>40</sup> requires that all local authorities prepare a food-growing strategy for their area. Section 119 of the Community Empowerment Act requires a food-growing strategy is a document :

- (a) identifying land in its area that the local authority considers may be used as allotment sites;
  - (b) identifying other areas of land in its area that could be used by a community for the cultivation of vegetables, fruit, herbs or flowers;
- describing how, where the authority is required to take reasonable steps under section 112(1), the authority intends to increase the provision in its area of—
    - (i) allotments, or
    - (ii) other areas of land for use by a community for the cultivation of vegetables, fruit, herbs or flowers,The description required by paragraph (c) of subsection (3) must in particular describe whether and how the authority intends to increase the provision of the types of land mentioned in paragraph (a) or (b) of that subsection in communities which experience socio-economic disadvantage.

The Scottish Government has created guidance<sup>41</sup> on how to prepare a food-growing strategy.

Part 9 of the Community Empowerment (Scotland) Act 2015 also defines the allotment duties of a local authority. They are obliged to create, maintain, report on and address the needs of waiting lists and will be required to ensure that no individual sits on a waiting list for more than 5 years without offer of a fit for purpose plot.

b) **The Climate Change (Scotland) Act 2009**<sup>42</sup> requires that Public Bodies exercise their functions:

- in a way best calculated to contribute to deliver the Act's emissions reduction targets;
- in a way best calculated to deliver any statutory adaptation programme; and
- in a way that it considers most sustainable.

Local food-growing has a role to play in reducing emissions which contribute to climate change; adapting places to future climate changes and providing opportunities for more sustainable lifestyles.

### **c) The Good Food Nation Bill**

Scotland has the aspiration to become a Good Food Nation<sup>43</sup> by 2025. The vision includes the following:

- it is the norm for Scots to take a keen interest in their food, knowing what constitutes good food, valuing it and seeking it out whenever they can.
- everyone in Scotland has ready access to the healthy, nutritious food they need.
- dietary-related diseases are in decline, as is the environmental impact of our food consumption.
- food companies are a thriving feature of the economy and places where people want to work.

A period of consultation was completed by the Scottish Government in April 2019.

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<sup>40</sup> <http://www.legislation.gov.uk/asp/2015/6/section/119/enacted>

<sup>41</sup> <https://www.gov.scot/publications/part-9-community-empowerment-scotland-act-2015-allotments-guidance-local-authorities-section-119-duty-prepare-food-growing-strategy/>

<sup>42</sup> <https://adaptationscotland.org/why-adapt/legislation/climate-change-adaptation-scotland>

<sup>43</sup> <https://www.gov.scot/policies/food-and-drink/good-food-nation/>

In July 2019 the Scottish Government introduced its **Vision 2030+ Learning for Sustainability** report and framework<sup>44</sup> which strongly places access to greenspaces and food-growing within a vision to educate school pupils to be responsible citizens of the world.

### **1.3 The International context:**

The United Nations launched the Global Goals for sustainable development in 2015<sup>45</sup>, otherwise known as the Sustainable Development Goals (SDGs). They set 17 goals for a better world by the year 2030. Local food growing is relevant to achieving ten of the seventeen goals. Scotland was one of the first countries in the world to sign-up to the SDGs. Scotland has worked to express them through the National Performance Framework<sup>46</sup>.



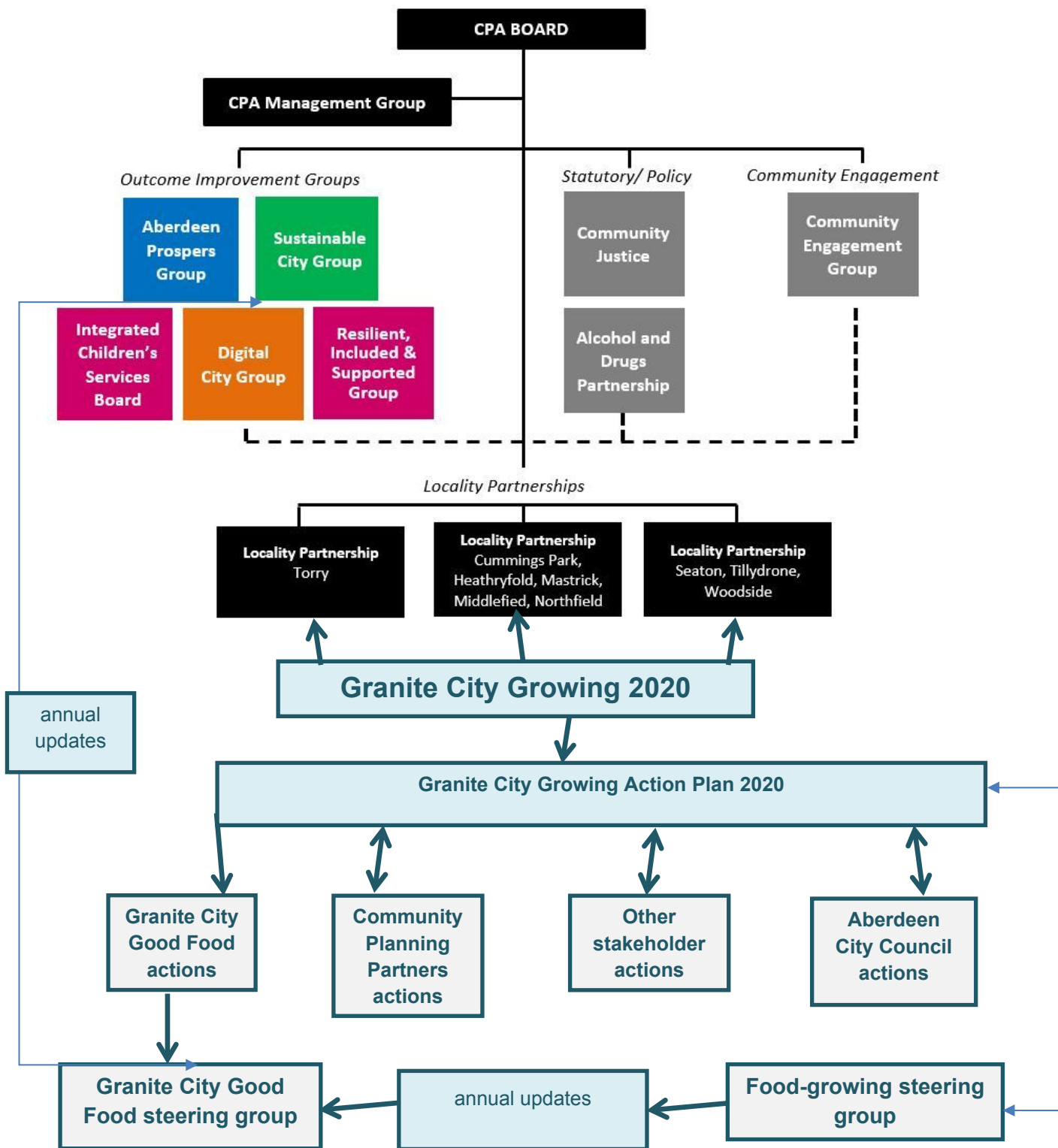
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<sup>44</sup> <https://www.gov.scot/news/commitment-to-sustainable-learning/>

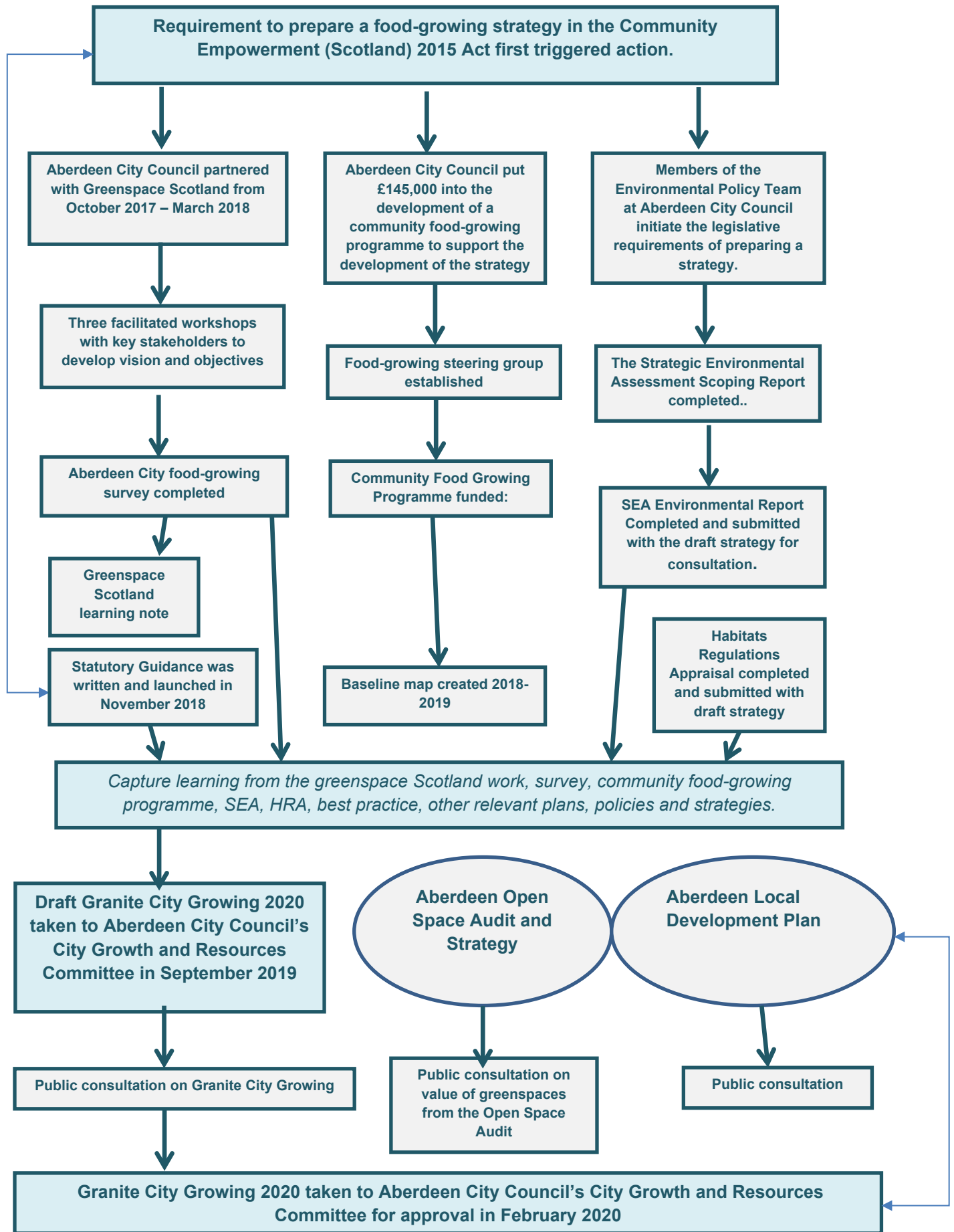
<sup>45</sup> <https://www.globalgoals.org> and <https://globalgoals.scot/>

<sup>46</sup> <https://nationalperformance.gov.scot/>

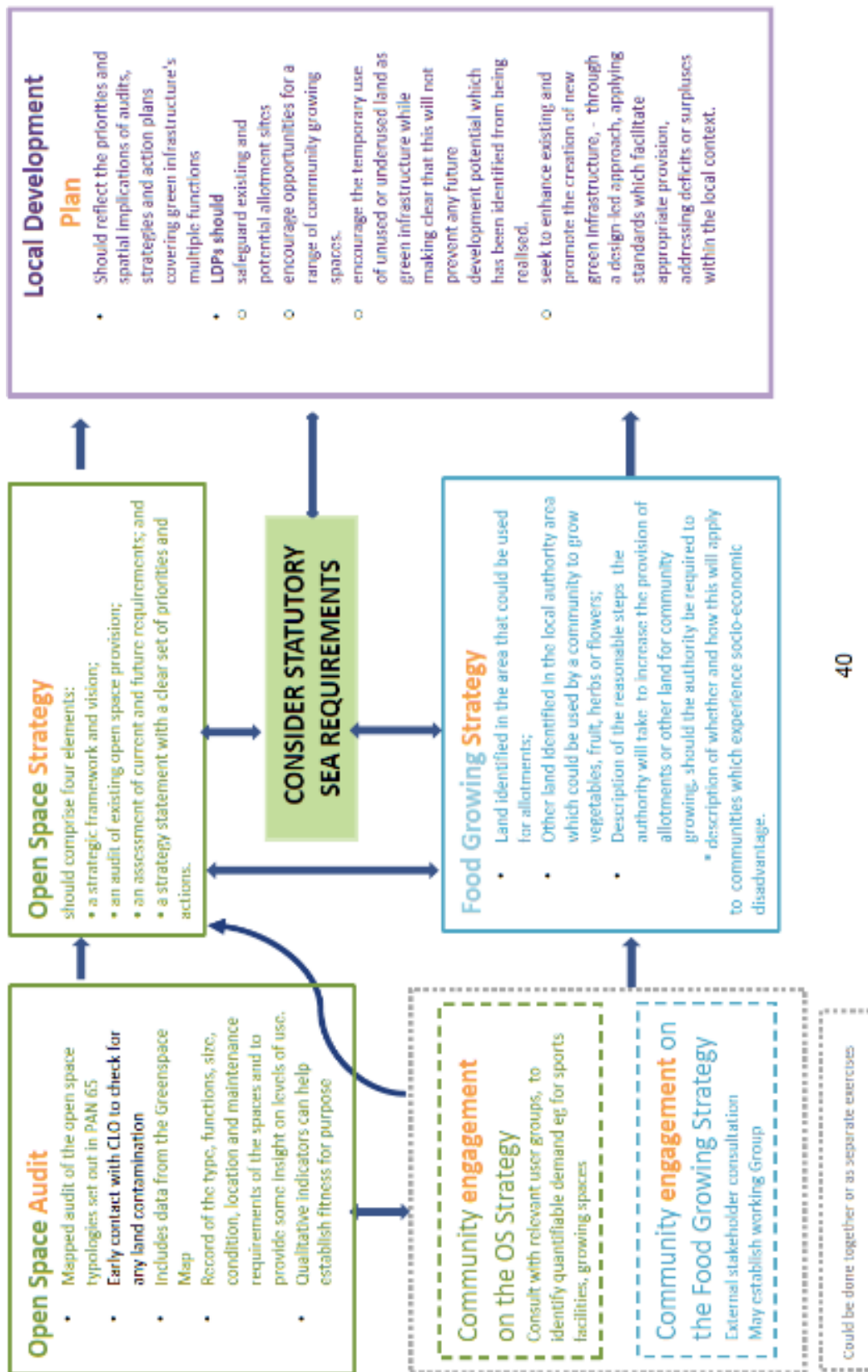
**Appendix 2: Governance of Granite City Growing**



**Appendix 3 :How Granite City Growing has taken shape.**



**Appendix 4:** Planning and Food-growing flow chart. Taken from the Scottish Government guidance on how to prepare a food-growing strategy.



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## Appendix 3 - Consultation summary

### Granite City Growing: Aberdeen Growing Food Together

This Consultation Report has been compiled from responses to an eight-week public consultation (October - December 2019) on the draft Granite City Growing: a food-growing strategy for the city.

The consultation achieved nineteen responses through the Consultation Hub. Four responses were from organisations and fifteen from individuals. This report summarises the responses and the amendments made to the strategy.

#### The Vision of Granite City Growing

##### Question 2: Do you agree or disagree with the vision?



##### Number responded – 19 (100%)

17 respondents (90%) mainly agreed with the vision, 1 respondent mainly disagreed and 1 felt there was room for improvement.

11 respondents made comments about the vision which included the following:

- Six respondents made positive and supportive comments.
- One respondent asked if every member of the community would have access to a growing area.
- One respondent wanted more green spaces and empowered people generally.
- One respondent felt that 'Granite City Growing' should be replaced by 'community food-growing' at point 4. This point was acknowledged and the vision amended.
- One respondent was concerned that local producers and small businesses would suffer.
- One respondent thought that the vision will never be completed.

#### The Strategic Outcomes and Objectives of Granite City Growing

##### Question 3: Do you agree or disagree with the strategic outcomes and objectives?

*Outcomes and objectives*





There is room for improvement

**Number responded – 19 (100%)**

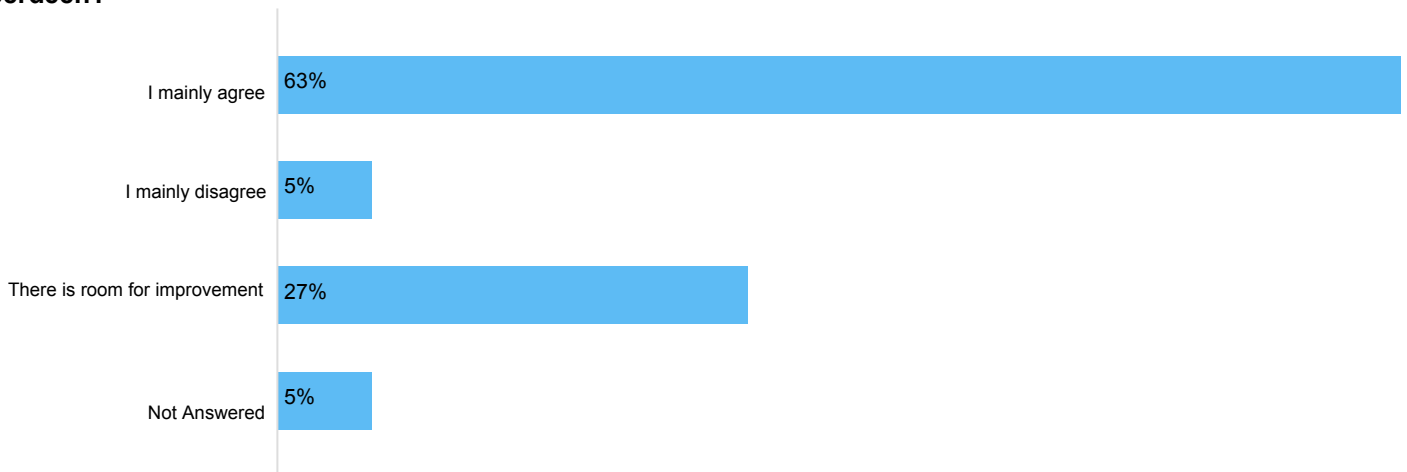
14 respondents (74%) mainly agreed with the outcomes and objectives, 1 respondent mainly disagreed and 4 felt there was room for improvement.

10 respondents made further comments about the outcomes and objectives which included the following:

- Four respondents made positive and supportive comments.
- One respondent wondered if it was ‘practical’ and another felt it was ‘too ambitious’.
- One respondent suggested that there should be fewer ‘key aims’ and another felt that wanting to be an exemplar for local food-growing was not a strategic outcome.
- One respondent wanted local business to take the lead to create local jobs and another felt that every growing space would need a paid member of staff to oversee it.

**The current activity already taking place in Aberdeen**

**Question 4: Does this section capture all the activity currently taking place around community food-growing in Aberdeen?**



**Number responded – 19 (100%)**

12 respondents (63%) mainly agreed with the baseline data, 1 respondent mainly disagreed and 5 felt there was room for improvement.

8 respondents made further comments about the baseline data which included the following:

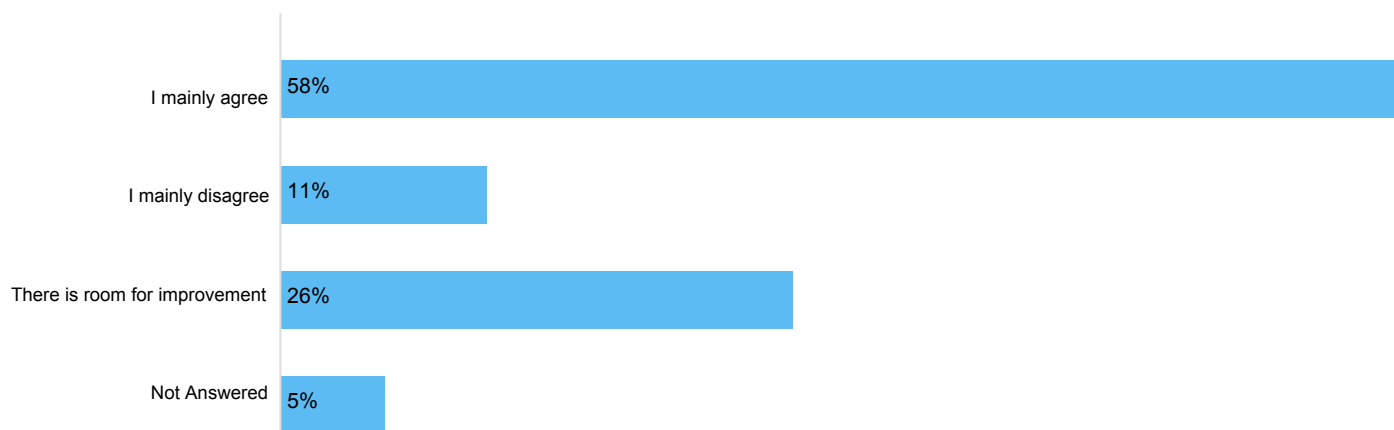
- Two respondents commented on ‘sustainable food’ initiatives which are included on the baseline map but which don’t directly link to the community food-growing layer.
- One respondent felt that food grown in private gardens should be included in the baseline. The information and resources are not available to achieve this however.
- One respondent didn’t value the baseline section and only wanted new opportunities mapped.



- One respondent knew of sheltered housing complexes which were growing food and flowers but offered no further details.
- Three respondents suggested additions to the baseline: St Fitticks community garden; Brighter Bucksburn herb garden and orchard and the Aberdeen Multicultural Centre’s vegetable growing initiative. These three suggestions have been added to the baseline data.

## The key delivery partners

**Question 5: Do you agree or disagree that these are the key delivery partners?**



**Number responded – 19 (100%)**

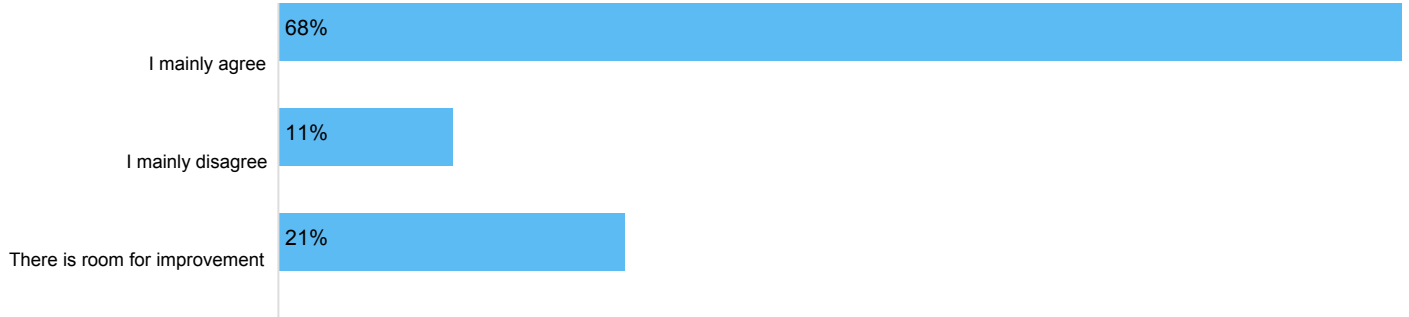
*11 respondents (58%) mainly agreed that the key delivery partners were identified, 2 respondents mainly disagreed and 5 felt there was room for improvement.*

13 respondents made further comments about the delivery partners which included the following:

- Four respondents suggested that the community councils and the Community Council Forum should be listed. These have been added to the list of key delivery partners.
- Three respondents felt that RGU, the University of Aberdeen and the SRUC should be included as key delivery partners. These have been added to the list of key delivery partners.
- One respondent questioned whether the Aberdeen Health and Social Care Partnership should be listed separately. It has been added to the list of key delivery partners.
- One respondent felt that private enterprise was key to delivery.
- One respondent felt that organisations close to communities needed to be involved.
- One respondent felt that ‘community volunteer groups’ should be involved.
- One respondent wanted to know what support and funding was available to delivery partners.
- One respondent felt that individuals should be the focus rather than organisations.

## The key actions

**Question 6: Are the identified key actions the right ones to take Granite City Growing forward?**



**Number responded – 19 (100%)**

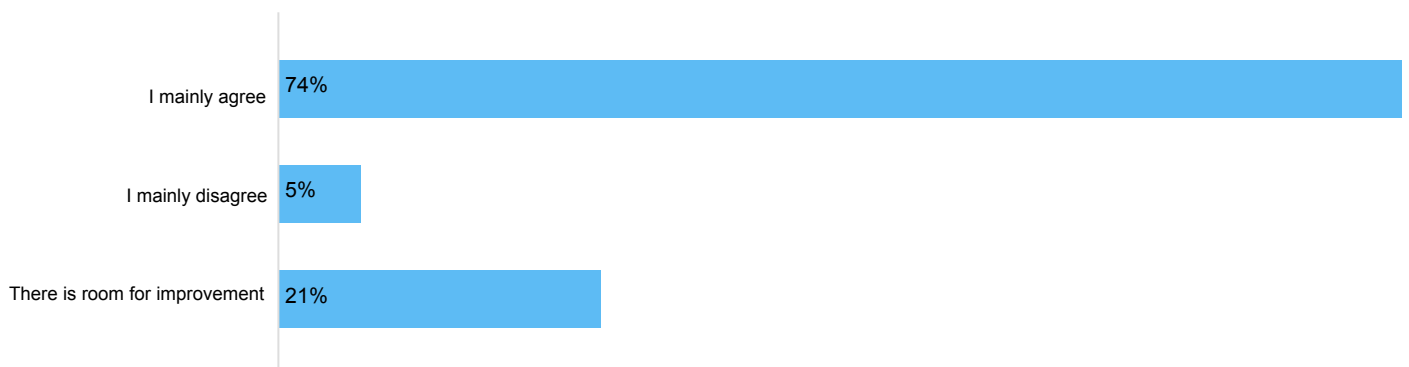
13 respondents (68%) mainly agreed that the key actions were the right ones to take Granite City Growing forward, 2 respondents mainly disagreed and 4 felt there was room for improvement.

11 respondents made further comments about the key actions which included the following:

- Two respondents made positive and supportive comments.
- One respondent felt that seed and plant suppliers offering discounts should be listed.
- One respondent felt that sharing information with third sector organisations was key.
- One respondent criticised the initiative for being a paper exercise and needing to focus on businesses and jobs.
- One respondent felt there was a lack of people with gardening knowledge and skills and that training and funding was needed especially targeted at the youth workforce development.
- One respondent wanted to know how the actions would be funded.
- One respondent suggested that tool libraries were developed with Men’s Shed.
- One respondent felt the internal Aberdeen City Council asset transfer process could be improved.
- One respondent suggested that fewer actions were necessary.
- One respondent wanted actions to relate to commercial food-growers.

### Aberdeen City Council’s approach

**Question 7: Do you agree or disagree with Aberdeen City Council's approach?**



**Number responded – 19 (100%)**

14 respondents (74%) mainly agreed with Aberdeen City Council’s approach, 1 respondent mainly disagreed and 4 felt there was room for improvement.

7 respondents made further comments about Aberdeen City Council’s approach which included the following:

- One respondent felt that information should be shared more readily.

- Two respondents were unable to open the ‘opportunity sites’ link through the consultation.
- One respondent felt that allotment holders wouldn’t want their allotment site publicised because of fear of vandalism.
- One respondent was critical of the ‘top-down’ approach as not addressing the problems groups are having.
- One respondent wanted more allotments.

### **The Strategic Environmental Assessment Environmental Report**

#### **Question 8: Do you have any comments about the Environmental Report for Granite City Growing?**

#### **Number responded – 10 through the Consultation Hub and 3 statutory consultees by correspondence**

The comments made about the Environmental Report included the following:

- Five respondents made positive and supportive comments.
- Three respondents noted that it was a long document to review.
- One respondent wanted more to be done to encourage private householders to make better use of their garden space.
- One respondent wanted more inclusion of individual contributions.
- One respondent questioned that the strategy adequately captured the conclusions from the environmental report.
- One respondent did not feel that problems could arise from placing food-growing sites on green space.
- A statutory consultee noted a stronger steer is needed to ensure Granite City Growing contributes to strategic green networks. It is anticipated that the Open Space Strategy will address this.
- A statutory consultee suggested strengthening the wording of Tables 6.3, 6.4, 6.5 and 7.1.
- A statutory consultee noted that the strategic outcomes and objectives of the strategy could be strengthened by including the inclusion of the points raised for tables 6.3, 6.5 and 7.1. The strengthened position relating to pollinators, rainwater harvesting and protected sites will be taken forward within the implementation phase.
- A statutory consultee requested a change to the title of a referenced document; this has been amended.

### **Further Comments**

#### **Question 9: Further comments?**

#### **Number responded – 8 through the Consultation Hub**

The further comments made included the following:

- Three respondents made positive and supportive comments.
- One respondent felt that obtaining land would be a challenge and preventing vandalism and thefts would be needed.
- One respondent felt that wider stakeholders were not represented.
- One respondent wanted more support available to build capacity.
- One respondent wanted a focus on commercial producers.
- One respondent wanted Aberdeen City Council to encourage people to grow food in their own back gardens.

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## ABERDEEN CITY COUNCIL

<b>COMMITTEE</b>	City Growth & Resources
<b>DATE</b>	6 <sup>th</sup> February 2020
<b>EXEMPT</b>	No, but appendix is exempt:- TERMS OF ACQUISITION OR DISPOSAL 9. Any terms proposed or to be proposed by or to the authority in the course of negotiations for a contract for the acquisition or disposal of property or the supply of goods or services provided disclosure of these terms would prejudice the Council in these or any other negotiations..
<b>CONFIDENTIAL</b>	No
<b>REPORT TITLE</b>	Town Centre Fund
<b>REPORT NUMBER</b>	PLA/20/021
<b>DIRECTOR</b>	N/A
<b>CHIEF OFFICER</b>	Richard Sweetnam
<b>REPORT AUTHOR</b>	Stuart Bews
<b>TERMS OF REFERENCE</b>	Purpose 1 To approve and monitor appropriate short, medium and long term financial strategies and plans for the Council in light of available funding Purpose 2 To approve the addition of new projects and associated budgets to the capital programme, to approve additional funding for existing projects

### 1. PURPOSE OF REPORT

- 1.1 The purpose of this report is to present additional options provided by officers for project proposals and seek approval to distribute the allocation of funds to each identified project in relation to the Scottish Government Town Centre Capital Grant Fund where Aberdeen City Council received an allocation of £1,351,000 and of which £137,497.50 remains unallocated.

### 2. RECOMMENDATION(S)

That the Committee:

- 2.1 Approves the request of additional funding for the Living Wall Project as per Appendix 1;
- 2.2 Approves the allocation of funding for the Queen Street demolition projects as per Appendix 1; and

- 2.3 Delegates authority to the Chief Officer - Capital, following consultation with Commercial and Procurement Services to consider and approve business cases (including estimated expenditure) for the recommended projects for the purposes of Procurement Regulation 4.1.1: and thereafter to procure appropriate works and services, and enter into any contracts necessary for the delivery of the recommended projects without the need for further approval from any other Committee of the Council.

### **3. BACKGROUND**

- 3.1 The Scottish Government announced in January 2019 that there would be a new ring-fenced capital fund of £50m which would be distributed to local authorities based on the number and size of each local authority's town centres. This fund is referred to as the Town Centre Capital Fund.
- 3.2 The broad aims of the fund are to; stimulate and support a wide range of investments which encourage town centres to diversify and flourish; create footfall through local improvements and partnerships. Specifically, this fund will contribute to transformative investments which re-purpose and diversify town centres.
- 3.3 The fund also aims to; deliver against the themes of the Town Centre Action Plan including town centre living and supporting town centres to be vibrant, accessible and enterprising places. This could include re-purposing buildings for housing, retail, business, social and community enterprise, services, leisure, and culture, tourism and heritage; and, improving access and infrastructure.
- 3.4 Alongside the grant there are accompanied grant conditions which must be adhered to in order to spend the grant. The main conditions to be noted for the purpose of this report are:-
- 3.4.1 The grant is for capital expenditure which is additional to that which is already or would otherwise be allocated to the 2019/20 budget; and, should not substitute for existing spend. Demonstration of how the expenditure with this grant is additional to budgeted spend is required within the final reporting to the Scottish Government.
- 3.4.2 Decisions on use of funding will reside with the grantee. It is expected that local authorities make investment decisions in the context of national and local commitments to town centres including the Town Centre First Principle and the Town Centre Action Plan; and more recently, the Place Principle. As such, it is expected that investment decisions are based on approaches which are collaborative and place based with a shared purpose; and, make use of tools and support developed by the Scottish Government, Scotland's Towns Partnership and other key partners.
- 3.4.3 The Grant is to be used in the financial year 2019-20. There is an assumption that the Grant will be applied to finance local authority capital programmes before the application of any other capital or revenue resources such as capital receipts or borrowing.

- 3.5 At the meeting of City Growth and Resources Committee in June 2019 (ref PLA/10/290), an initial £1,213,502.50 was allocated to identified projects, with an instruction for officers to return to Committee with further options on how the balance of £137,495.50 can be allocated. Appendix 1 sets out the options available based on identified project extensions and a new project. The table below serves as a reminder of the funding allocated by Committee in June 2019.

<b>Project</b>	<b>Estimated total costs</b>	<b>TCF Allocation</b>
Hayton Road - Street Design	£90,000	£90,000
Parklets	£80,000	£80,000
Suspended Signage	£400,000	£400,000
Intelligent Street Lighting	£125,000	£125,000
Union Street Public Realm	£68,502.50	£68,502.50
Mither Kirk	£390,000	£390,000
Living Wall	£60,000	£60,000

#### **4. FINANCIAL IMPLICATIONS**

- 4.1 Funding has been allocated by Scottish Government and is in addition to the Council's budget. There are specific funding requirements as outlined at section 3.4 and it is essential that the projects comply with the set requirements to avoid issues around eligibility.
- 4.2 The allocated funding is additional to the approved Council budget and is therefore an opportunity to deliver capital projects in the City which may not otherwise have had the full financial commitment to be achieved.

#### **5. LEGAL IMPLICATIONS**

- 5.1 By accepting the grant ACC has agreed to the conditions outlined in the grant offer letter and the legislative details that are contained within. The grant has been allocated under the grant making powers of Scottish Ministers; Section 37 of the Local Government in Scotland Act 2003 - Scottish Ministers may make grants to local authorities in respect of their capital expenditure. Capital expenditure that falls to be capitalised in accordance with proper accounting practices (section 39 of the Act)
- 5.2 Procurement implications will be managed on an individual project basis and outlined in the project business cases post funding award.

## 6. MANAGEMENT OF RISK

	Risk	Low (L), Medium (M), High (H)	Mitigation
<b>Financial</b>	As per the grant conditions the money must be committed by the end of Financial Year 2019/20	M	Projects benefiting from the fund will have undertaken measures which will take into account the delivery timescales of the project. Close project monitoring will take place throughout to ensure these timescales will be met.
<b>Legal</b>	Grant conditions not being met	L	From the project outset officers are aware of the conditions that need to be complied with so not meeting the grant conditions should be avoided.
<b>Employee</b>	No risks identified		None
<b>Customer</b>	Residents of the identified town centres will not benefit from the enhancement of the area if the project does not fulfil grant conditions	M	It is the intention to fulfil the grant conditions and to spend the allocated amount therefore enhancing the areas in question
<b>Environment</b>	No risks identified		None
<b>Technology</b>	No risks identified		None
<b>Reputational</b>	Risk of reputational damage with the relationship with Scottish Government if we do not spend the funds in accordance to the grant conditions therefore potentially impacting on future funds received from Scottish Government	L	It is the intention to spend the allocated amount and ensuring that the conditions of grant are met accordingly, informing Scottish Government of any deviation, or issues along the way



## 7. OUTCOMES

- 7.1 In relation to the Local Outcome Improvement Plan Themes and Design Principles of the Target Operating Model, each individual Project has completed section 7; contained within Appendix 1 of the report.

## 8. IMPACT ASSESSMENTS

<b>Assessment</b>	<b>Outcome</b>
<b>Equality &amp; Human Rights Impact Assessment</b>	Not required
<b>Data Protection Impact Assessment</b>	Not required
<b>Duty of Due Regard / Fairer Scotland Duty</b>	Not required

## 9. BACKGROUND PAPERS

PLA/19/290 - Town Centre Capital Grant Fund, 6<sup>th</sup> June 2019, published.

## 10. APPENDICES (if applicable)

1. Town Centre Capital Fund – Description of additional projects

## 11. REPORT AUTHOR CONTACT DETAILS

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## ABERDEEN CITY COUNCIL

<b>COMMITTEE</b>	City Growth and Resources
<b>DATE</b>	6 <sup>th</sup> February 2020
<b>EXEMPT</b>	No
<b>CONFIDENTIAL</b>	No
<b>REPORT TITLE</b>	Trade and European Partnerships Travel Plan 2019/20 Update
<b>REPORT NUMBER</b>	PLA/20/024
<b>DIRECTOR</b>	N/A
<b>CHIEF OFFICER</b>	Richard Sweetnam
<b>REPORT AUTHOR</b>	Morag McCorkindale
<b>TERMS OF REFERENCE</b>	2.2 Strategies for city growth and place planning

### 1. PURPOSE OF REPORT

- 1.1 To seek approval for an amendment to the international trade priorities for 2019-20 and for the associated travel plan.

### 2. RECOMMENDATION(S)

That Committee:-

- 2.1 Approve the changes to the Trade and European Partnerships Travel Plan as detailed in paragraph 4 of the report and outlined as follows:-
- (a) the Lord Provost and one officer visit Esbjerg before the end of March 2020;
  - (b) the Lord Provost and one officer attend CERAWeek, Houston 9-13 March 2020;
  - (c) the Lord Provost and one officer to attend the HighWind Conference which will take place 17–19 March 2020 in Stavanger;
  - (d) the Lord Provost and one officer to attend the Barents Sea Conference to be held in Hammerfest, Northern Norway on 20–22 April 2020;
  - (e) one elected member and one officer to visit Tamaulipas, Mexico in April 2020 to explore the potential for relationship development with the state and with a view to sign a Memorandum of Understanding (MOU);
  - (f) potential visits to Doha, Halifax, Karamay, Pemba and Brazil be reviewed as part of the Travel Plan for 2020–2021, and subject to Council budget setting process;
  - (g) that Uganda be removed from the travel plan; and
  - (h) Delegate authority to the Chief Officer - City Growth to authorise only necessary and appropriate travel set out in paragraph 4 and associated expenditure to fulfil the travel plan occurring between April 2020 - March 2021, provided the cost of such travel is reasonable and does not exceed the budget allocation set out in the report.

### **3. BACKGROUND**

- 3.1 At the meeting of the City Growth and Resources Committee on 25 April 2019 approval was given for the International Trade and European Partnership priorities for 2019-20 and for associated travel expenditure [PLA/19/230].
- 3.2 Authority was given to the Chief Officer - City Growth (as the budget holder) to authorise only necessary and appropriate travel and associated expenditure to fulfil the agreed plans for 2019-20, provided the cost of such travel is reasonable and does not exceed the budget envelopes set out in the report. All travel will be booked in accordance with the Council's policies on travel.
- 3.3 Aberdeen City Council takes an active role in international trade as a result of its global profile and the reach and status of its civic, business and academic networks. This is supported by membership of a number of key European and global partnerships and the leadership shown by the Council in transnational projects such as those related to hydrogen and renewable energy.
- 3.4 Officers from the City Growth service maintain an active watching brief on UK and wider intelligence to ensure that market opportunities for Aberdeen companies are understood and promoted. This work focuses on those countries where the Council can play an active role in facilitating market access, usually alongside UK and/or Scottish Government agencies. The Council also has ten memoranda of understanding (MoU) with cities around the world (Atyrau, Barranquilla, Georgetown, Halifax, Kobe, Lafayette, Mokpo, Pemba, Villahermosa and Ciudad del Carmen) that support more direct and structured bilateral activity. These MoUs are at differing levels of activity.
- 3.5 MOUs are built around specific economic and trade objectives and are structured in such a way that alternate year visits to MoU partner cities are agreed within the MoU provisions, subject to this commitment being fulfilled in both directions.

### **4. INTERNATIONAL TRADE PRIORITIES**

- 4.1 The approved travel Plan for 2019 – 2020 identified Doha (Qatar), Halifax (Canada), Karamay (China), Pemba (Mozambique), Uganda and Brazil as markets for development.
- 4.2 It is proposed that market development visits to Doha, Halifax, Karamay, Pemba and Brazil be reviewed as part of the Travel Plan for 2020–2021, and subject to Council budget setting process.
- 4.3 Uganda shows promise for new oil and gas production in Africa with licences issued to Total, Tullow Oil and CNOOC and production estimated to begin in 2021. However, establishing the contacts and relationships required to assist Aberdeen companies to enter the market has been slower than expected and therefore Uganda should be re-categorised as a “watching brief” market and be removed from the Travel Plan.

## **New international trade priorities**

Since the approval of the 2019–2020 travel plan, new market priorities have developed.

### **4.4 Esbjerg**

The Lord Provost of Aberdeen currently holds the Presidency of the World Energy Cities Partnership (WECP) and the Mayor of Esbjerg currently holds Vice-Presidency of the partnership. This change in leadership officially came into effect on 1 January 2020. WECP has also developed a new strategic plan for the partnership from 2020-2025 which was approved at the 2019 WECP Board of Directors meeting. Given the change in leadership within WECP, and also given the new strategic plan, subject to Committee approval, it is proposed that the Lord Provost and one officer visit Esbjerg before the end of March to meet with the Mayor to discuss the future of WECP and implementation of the new strategic plan under their leadership.

### **4.5 CERAWeek**

WECP is again partnering with CERAWeek, the world's leading energy forum. This will take place in Houston on 9<sup>th</sup>–13<sup>th</sup> March 2020. The theme of CERAWeek 2020 "Waves of Change: Charting the Energy Transition", is linked to the 2020-2025 WECP Strategic Plan. A specific programme for WECP Mayors and civic leaders has been agreed which will give the opportunity to have a direct dialogue with some of the global energy executives and senior members of the policy, financial, industrial and technological communities who attend the event. In addition to fulfilling a WECP obligation this will reinforce Aberdeen's position as a global energy capital and lead to new opportunities in global markets.

Positive feedback was received from WECP Mayors who attended CERAWeek 2019 and therefore WECP aims to continue the relationship with CERAWeek in the long term, with a view to moving the spring WECP Working Group meeting from coinciding with the Offshore Technology Conference (OTC), held in Houston in May, to instead coincide with CERAWeek. Given the Lord Provost's current role as WECP President, it is recommended that he attend CERAWeek to represent the partnership. Subject to Committee approval, it is proposed that the Lord Provost and one officer attend CERAWeek in March 2020.

Enquiries are also being made to partner organisations, regarding the opportunity for start-up entrepreneurs and academics to participate in the CERAWeek Innovation Agora program to advance their profile in clean energy technologies.

### **4.6 Highwind**

Aberdeen has a longstanding relationship with Stavanger, which is also a member of the WECP. There are active economic links between the cities particularly through their oil and gas industries. Stavanger now intends to expand its energy activity into offshore wind and is keen to work with Aberdeen and its supply chain to achieve this.

The new Mayor of Stavanger has invited the Lord Provost to attend and participate in a panel session during the HighWind Conference which will take place 17<sup>th</sup>–19<sup>th</sup> March 2020 in Stavanger. This conference is directly linked to WECP, the key topic of energy transition and the opportunities and challenges of developing offshore wind in the North Sea. Attending this event should produce additional economic opportunities for Aberdeen companies and enable the building of a relationship with the new Mayor, which is of strategic importance. Subject to Committee approval, it is proposed that the Lord Provost and one officer attend the Highwind conference in March 2020.

#### 4.7 Barents Sea conference

The Barents Sea Conference is the leading forum for energy activity in the Barents Sea. It is the central meeting place for policy and decision makers in industry, government, technology and finance with interests in the Barents Sea. It will take place in Hammerfest, Northern Norway on 20<sup>th</sup>–22<sup>nd</sup> April 2020

The Barents Sea, has two producing fields (Snøhvit and Goliat) with three more production fields (John Castberg, Alta/Gohta and Wisting) expected by 2030. The Barents Sea has long-term prospects with regards to resource development with the Norwegian Petroleum Directorate reporting in 2018 that over 60% of Norway's yet-to-find hydrocarbon resources lying in the Barents Sea basin.

In recent years there has been significant activity between Aberdeen and Northern Norway, working closely to develop and provide opportunities for Aberdeen companies in the region. Subject to Committee approval, it is proposed that the Lord Provost and one officer attend the Barents Sea conference. It is intended that a Memorandum of Understanding (MoU) will be signed between Aberdeen and Hammerfest to continue to develop this relationship for mutual benefit.

#### 4.8 Matamoros, Tamaulipas, Mexico

The state of Tamaulipas intends to become Mexico's deepwater oil and gas hub. It contains four basins within its boundaries two of which are considered the top potential prospects to produce oil and gas by hydraulic fracturing. There is also evidence that oil and gas assets have been under-exploited. Therefore there are opportunities for UK companies in both deep and shallow waters, with UK operators like Petrofac and Premier Oil owning blocks in the Burgos basin. This represents a particular opportunity for Aberdeen-based companies with activities in Houston given the proximity to the resources.

Matamoros is a port city in the north of the state which has expressed a particular interest in developing a relationship with Aberdeen. The city, its port and industry require rapid development to service the Mexico oil and gas industry and this offers opportunities for Aberdeen businesses.

Subject to Committee approval, it is proposed that one elected member and one officer visit Tamaulipas in April 2020 to explore the potential for relationship development with the state and with a view to sign an MOU.

## 5 FINANCIAL IMPLICATIONS

- 5.1 A total budget of £78,000 was approved by the City Growth and Resources Committee on 25<sup>th</sup> April 2019 and is available to support international trade related travel activity and the World Energy Cities Partnership in 2019-20. The £78,000 budget comprises £29,000 from the Common Good Fund and £49,000 from the City Growth budget.
- 5.2 The total cost of the updated Trade and European Partnerships Travel Plan for 2019/20 is estimated as £21,100 from the Common Good Fund and £22,000 from the City Growth budget. This can be accommodated within the approved budget for 2019/20.

## 6. LEGAL IMPLICATIONS

- 6.1 Elected Members' travel can only be funded where it is classed as an 'approved duty' in the Local Government (Scotland) Act 1973. Approved duties include *the carrying out of any other duty approved by the local authority, or anything of a class so approved for the purposes of, or in connection with, the discharge of functions of the local authority or any of its committees or sub-committees.*
- 6.2 Local authorities are subject to statutory controls and have a statutory duty to secure best value. The Council has Travel Policies for both members and officers. All travel should be booked in accordance with the arrangements set out in these policies to ensure the most cost – effective travel arrangements are utilised.

## 7. MANAGEMENT OF RISK

	Risk	Low (L), Medium (M), High (H)	Mitigation
<b>Financial</b>	None		
<b>Legal</b>	Spend not in line with approved duties.	L	All travel will be booked and managed in accordance with Council's Travel Policies for Members and Officers. Legal officers will ensure compliance with Local Government (Scotland) 1973 Act.
<b>Employee</b>	Risks associated with travel outwith the UK are managed on a case-by-case basis following advice from	M	A thorough risk analysis is undertaken prior to any travel outwith the UK. This forms part of the pre-travel briefing.

	the UK Foreign and Commonwealth Office and in-country contacts.		The Council has sufficient travel insurance in place.
<b>Customer</b>	None		
<b>Environment</b>	None		
<b>Technology</b>	None		
<b>Reputational</b>	There are reputational risks for the city if it does not actively participate in international partnerships (MOUs) and in developing market relationships. These are vital to ensuring that the city's global profile is maintained	M	Working with the UK Government (DIT) on emerging markets creates relationships which facilitate exports by Aberdeen companies that contribute to economic activity.

## 8. OUTCOMES

<b>Local Outcome Improvement Plan Themes</b>	
	<b>Impact of Report</b>
<b>Prosperous Economy</b>	The recommendations in this report will contribute to LOIP stretch outcome Economy 1. New economic activity is important for the economy of Aberdeen and promotional activities and the formation of relationships in international markets assists Aberdeen companies.

<b>Design Principles of Target Operating Model</b>	
	<b>Impact of Report</b>
<b>Partnerships and Alliances</b>	The report seeks approval for continued work across international partnerships and proposes priority markets for the development of further activity and possibly Memoranda of Understanding. In addition, the collaborative approach with Scottish Enterprise, Scottish Development International and the



	Department for International Trade should deliver efficiency benefits.
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**9. IMPACT ASSESSMENTS**

<b>Assessment</b>	<b>Outcome</b>
<b>Equality &amp; Human Rights Impact Assessment</b>	Not required
<b>Data Protection Impact Assessment</b>	Not required
<b>Duty of Due Regard / Fairer Scotland Duty</b>	Not applicable

**10. BACKGROUND PAPERS**

PLA/18/006 – Inward Investment and Trade Priorities, report to City Growth and Resources Committee, 24 April 2018 – approved  
 PLA/19/230 - Trade and European Partnerships Travel Plan 2019/20, report to City Growth and Resources Committee, 25<sup>th</sup> April 2019 - approved

**11. APPENDICES (if applicable)**

None.

**12. REPORT AUTHOR CONTACT DETAILS**

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## ABERDEEN CITY COUNCIL

<b>COMMITTEE</b>	City Growth and Resources
<b>DATE</b>	6 February 2020
<b>EXEMPT</b>	Report - No  Exempt Appendix: Estimated expenditure on contracts; Paragraph 8
<b>CONFIDENTIAL</b>	No
<b>REPORT TITLE</b>	Aberdeen City Council – Housing Programme
<b>REPORT NUMBER</b>	RES/20/049
<b>DIRECTOR</b>	Steven Whyte, Director of Resources
<b>CHIEF OFFICER</b>	John Wilson, Chief Officer, Capital
<b>REPORT AUTHOR</b>	John Wilson, Chief Officer, Capital
<b>TERMS OF REFERENCE</b>	Purpose 5, Remit 3.1

### 1. PURPOSE OF REPORT

- 1.1 To update the Committee on the development works that have been undertaken in relation to the Council house new build programme including some works to refine and update the vision for the programme but also to develop the future building specification requirements. The report highlights options available to improve the specification to meet increasing sustainability, environmental and living standards and makes a recommendation thereon.

### 2. RECOMMENDATIONS

That the Committee:

- 2.1 agree to adopt the Gold technical standards detailed at paragraph 3.13 for the new house build programme to meet the vision of the programme and to instruct the Chief Officer – Capital to incorporate this into the Council’s High Level Employers Requirements with immediate effect; and
- 2.2 where on review of the tender returns the Gold technical standard cannot be achieved within a specific development site, agree to delegate authority to the Chief Officer – Capital to agree in consultation with the Chief Officer Corporate Landlord and the Convener of the City Growth & Resources Committee, on an exception basis, variations to the standards.

### **3. BACKGROUND**

- 3.1 At its budget meeting on 6 March 2018 the Council resolved, “to instruct the Director of Resources to report back to the City Growth and Resources Committee on 19 June 2018 with business cases for the delivery of 2,000 Council houses in conjunction with private developers, as appropriate, working within an affordable capital net investment sum of £250 million and that each business case must demonstrate the long term affordability and sustainability of the Council’s Housing Revenue Account.”
- 3.2 At its meeting on 23 May 2018, this Committee agreed to proceed with various sites as a Council house Programme to increase the number of new build social housing units across the city based on the current design proposals and that this be added to the capital Programme.

#### **Establishing the Housing Standard**

- 3.3 In delivering new Council housing for Aberdeen there has been a regular review to determine the changing legislative and building standard landscape within Scotland and the United Kingdom to ensure that future housing continues to deliver against emerging standards.
- 3.4 To achieve this a review of the “standard” of housing was undertaken and the full review report is contained at Appendix A. The review report recommends the Council adopt gold technical standards to enable the expected standard to be made explicit to the market place. An agreed standard would help to ensure that the Council receives qualitative bids from developers and builders that meet the vision statement below and provide a consistency of build to the Council as it takes ownership of the new stock:

#### **Vision Statement:**

“To create sustainable integrated communities and places, delivering affordable homes designed for life, which meets citizens current and changing needs, supporting the wellbeing and resilience of our tenants”

- 3.5 In determining a “standard” the review started from the key principles outlined with the Council’s Target Operating Model and the Local Outcome Improvement Plan. The cornerstone of these are embedded in early intervention and prevention – thus providing a better outcome for our citizens and reducing demand within the wider public sector forum in the future. Consideration has been given to how our future housing stock can best address these aspirations by considering environmental and sustainability issues, housing for varying needs and whole life living issues, fuel poverty, space standards and connectivity.
- 3.6 The foundation for this new operating and governance model is our collective vision for the future of Aberdeen and our understanding of the outcomes we need to address as articulated in the LOIP.
- 3.7 The process of setting outcomes and objectives must drive the subsequent budgeting and planning activities, and not the other way around. We will align

our budget setting process with the commissioning cycle so we can demonstrate how our resources are aligned to outcomes. Scrutiny and challenge will be applied against defined specifications and standards and in the context of the contribution to improved outcomes.

- 3.8 Customer standards and the customer journey will be transparent and measured regardless of who provides the service on our behalf. The future model must focus on early resolution and problem solving to help customers to become more self-sufficient and resilient.
- 3.9 The Council of the future will use the improved data that comes from consolidation and professionalisation of the customer function to learn continuously and adapt its services based on the information obtained. This means having the capability to collect, analyse and act on the customer information provided.
- 3.10 To achieve this a series of technical workshops were held during 2019 to establish processes and protocols for the Housing Programme Phase 2. These are now concluded following extensive stakeholder engagement ranging from NHS, Scottish Fire and Rescue, University of Aberdeen and Microsoft to name but a few.
- 3.11 This culminated in developing a Programme Vision which is person-centered and views the system from a citizen's perspective and reflects the diversity of people, homes, communities and more importantly designing homes for life.
- 3.12 One of the key findings of the review was that living space should allow flexibility and the ability to be adaptive to a particular families requirements. For example, a family with young children may want study space, or an individual may wish to have space for working from home. The full review of the outcomes are shown under section 7 of this report. While it is appreciated that providing a Gold standard of housing would have a marginal increase in the upfront capital investment the long term revenue maintenance expenditure is lower. Clearly, the benefit of enhanced living and achieving better health and well being will have a significant impact on our citizen's lives long term.
- 3.13 In examining a "standard" the construction industry primarily breaks down to a number of technical standards these being Bronze, Silver 1, Silver 2, Gold and Passivhaus. A review of the different standard is attached as Appendix 1. The current standards adopted are similar to the silver standard part 1. A table highlighting the key differentials in moving to Gold Standard is noted in the table below.

## Silver to Gold

Issue	Difference	Comments
1)	The Gold level Dwelling Emission Rate (DER) is 27% lower than the Target Emission Rate (TER) required for Silver;	Based on SAP 2012 and 2015 Technical Standards.
2)	Meets an annual demand for space heating as 20kWh/m <sup>2</sup> /yr compared to 30kWh/m <sup>2</sup> /yr for Silver;	Figures relate to apartment performance.
3)	Meets 50% of energy for water heating (compared to 5% for Silver) from recovered heat or renewable sources AND provides a display showing the performance of the recovered/renewable heat source;	No metering requirement for Silver Standard if renewables included in house design.
4)	Three out of five of the following features: i. Water meter; ii. WCs of average flush volume not more than 3.5 litres; iii. WHB taps with a flow rate of not more than 4l/min and kitchen/utility taps to be not more than 6l/min; iv. Shower heads with a flow rate of not more than 6l/min; and, v. Rainwater harvesting or greywater recycling system designed to provide water for toilet flushing;	Silver Standard requires lesser performance but is more prescriptive: there is no ability to select options.
5)	Direct 'easy release' adhesive labels on all key heating and ventilation equipment including (where fitted): trickle ventilators, extract fans, mechanical ventilation with heat recovery (MVHR), heating controls (programmers, Thermostatic Radiator Valves (TRVs))	Consistent naming convention and colour coding to be applied matching the content of the Quick Start Guide.
6)	Accessible storage of 1m <sup>3</sup> in volume per apartment. The storage space should be capable of being closed off with a door but does not need to be off each apartment.	General storage is in addition to a wardrobe space or built-in wardrobe, or storage that is designated for the future provision of a shower.
7)	Design performance levels for separating walls and separating floors associated with attached dwellings should be: Minimum airborne sound insulation: 60 dB DnT,w Maximum impact sound transmission: 52 dB L'nT,w Design performance level for a minimum airborne sound insulation should be 45 dB Rw.	Higher performance requirement than Silver Standard: 58 dB DnT,w, 54 dB L'nT,w and 44 dB Rw.
7) contd.	The average daylight factor (average DF) for kitchens and living room/dining/study should be 1.5% and 2% respectively.	In addition to window area requirements in Silver Standard.

7) contd.	<p>Security:</p> <ul style="list-style-type: none"> <li>- provide doorsets and windows which are tested and certified by a notified body as meeting a recognised standard for security; OR</li> <li>- install a full intruder alarm system that complies with BS EN 50131 and PD6662 (wired system) or a Class VI alarm to BS 6799 (wire free system) that conforms to Association of Chief Police Officers (ACPO) guidelines.</li> </ul>	<p>In addition to 13 amp fused spur for the installation of an intruder alarm located within 2m of entrance door.</p>
7) contd.	<p>Provide private or communal outdoor space with room for occupants to sit outside. The outdoor space should be accessible only to occupants of designated houses or flats and not be occupied by car or cycle parking space, waste storage area, electricity substations or other ancillary features. It must comprise of at least one of the following:</p> <ul style="list-style-type: none"> <li>a private garden, patio, roof terrace or balcony (with the front open to air) of an area no less than 1.5m<sup>2</sup>/apartment (minimum 3m<sup>2</sup>/home) with a minimum short dimension of 1.2m; OR</li> <li>a communal shared garden or courtyard that is: <ul style="list-style-type: none"> <li>of an area no less than 1.5m<sup>2</sup>/apartment (minimum 3m<sup>2</sup>/home) with a minimum short dimension of 2m</li> <li>secure by, for example, resident only key access</li> <li>secluded and fully enclosed with buildings themselves, walls, fencing or planting are all permitted possibilities to define the space.</li> </ul> </li> </ul>	
8)	<p>By consideration of waste minimisation arising from the built-form, one of the following should be adopted:</p> <p>Demonstrate that key principles of demountable construction detailing have been followed. This could be demonstrated by submitted drawings containing reference to guidance such as the Scottish Ecological Design Association's (SEDA) document on: 'Design and Detailing for Deconstruction'. A minimum of three of the high or medium priority items from the example constructions in the detailed section of this document should be demonstrated clearly; OR</p>	
8) contd.	<p>Provide a detailed plan for deconstruction of the building that follows a template such as that on page 21 of the SEDA document. This option provides opportunities to meet this level in this aspect for prefabricated, modularised or flexible internally partitioned constructions that use techniques that involve off-site manufacturing where the described assembly could be reversed for disassembly; OR</p> <p>An option only where a site is occupied and the warrant application is for demolition and construction. Provide a pre-demolition audit of existing buildings/structures on site. In this option for brownfield developments only, the audit should follow an established methodology such as the ICE Demolition Protocol, referred to by the Waste and Resources Action Programme (WRAP) that:</p> <ul style="list-style-type: none"> <li>produces a Bill of Quantities of the different materials in the building to be demolished identifies the tonnages of material that can be recovered and determines the percentage of materials recoverable.</li> </ul>	

- 3.14 Further, the Council would aim to work with developers and to give consideration within our own sites to alternative energy sources (such as Hydrogen fuelled cells, combined heat and power) as well as providing electric charging points and quality external living environments for each development. It will also be proposed that there will be a requirement that all developments should have the current fastest internet access capabilities to future proof the developments and allow the deployment of technology where appropriate for tenants to access the whole range of public sector support including those who require support in living through social care.
- 3.15 Aberdeen City Council is committed to securing meaningful environmental, social and economic value in procurements within their Housing Programme. The Housing Programme will demonstrate benefits which align with those identified in the Local Development Plan and the stretch outcomes 11 & 14 detailed in the Local Outcome Improvement Plan (where possible) as referenced below.
- 3.16 Revised High-Level Employers Requirements have been developed, aligned to the Vision/benefits for the Programme to ensure consistent quality across the Programme.
- 3.17 The Employers Requirements are the document where these needs are set out. They need to be in place from the outset of a project so that the appointed project team know the levels of service to provide. They will also address challenges around fuel poverty, contribute to achieving a carbon neutral footprint and achieve a higher quality of living for tenants. Regardless of standard all homes in the Programme will comply with Housing for Varying Needs standards.

#### **4. FINANCIAL IMPLICATIONS**

- 4.1 The approval of Gold technical standards would increase capital costs in order to fulfil ACC High Level Requirements, however this would also reduce future maintenance costs, commit investment in properties which promote a better mental and physical health, and future-proof properties by facilitating adaptation to suit tenants' current and future requirements.
- 4.2 The accompanying report in Appendix 1 highlights the anticipated costs differential between the Silver and Gold standards both in original construction and in a whole life cost basis over 40 years based purely on a financial basis. Consideration therefore has been given to the non-financial benefits, which will clearly provide a strong basis for early intervention and prevention while maintaining a housing stock which has been future proofed (eg digital connectivity).
- 4.3 By creating more energy efficient homes which meet future standards such as Energy Efficiency Standard for Social Housing (EESH) and EESH2 the carbon footprint of the property improves, and monthly fuel consumption for tenants is reduced, again enhancing their lives.





	effect on the environment		
<b>Technology</b>	Limited Contractor experience delivering Gold Standard may impact tender returns/quality.	H	Ensure thorough tender review process is implemented during the procurement process.
<b>Reputational</b>	High demand on Contracting market may impact costs and cause delays to delivery of the Programme/projects.	M	Programme allowance should be considered for additional periods for procurement of materials/services.

## 7. OUTCOMES

Local Outcome Improvement Plan Themes	
	Impact of Report
<b>Prosperous Place</b>	<p>The proposals within this report support the delivery of LOIP Stretch Outcome 11 in relation to Prosperous People as it will deliver properties in accordance with Gold Level Technical Standards.</p> <p><b>ACC shall deliver inclusive built environments that adapt and accommodate all stages of life of all citizens</b> – for the Gold standard this includes for each dwelling to have accessible storage.</p> <p><b>ACC shall deliver homes that reduce the contributing factors to physical and mental ill health</b> – for the Gold standard this includes for each dwelling to have a private or communal outdoor space for tenants to sit outside. In addition to outdoor space better living environments will be created within the dwellings with acoustic performance levels for separating walls and separating floors associated with attached dwellings. Improved lighting levels will also be provided with the average daylight factor (average DF) for kitchens and living room/dining/study improved to be 1.5% and 2% respectively. Homes will also be designed with improved security for tenants.</p> <p>The introduction of Gold Standards supports the delivery of LOIP Stretch Outcome 14 in relation to Prosperous Place.</p> <p><b>ACC shall deliver homes affordable to run, that improve the chances for families to move out of fuel</b></p>

	<p><b>poverty</b> – for the Gold standard this includes a higher standard of passive design which will directly reduce energy costs for space heating. The dwelling should also include for a 27% reduction in carbon dioxide emissions, partly provided through the use of renewable heat to provide 50% of hot water demand, which is likely to further reduce energy bills. The Gold level Dwelling Emission Rate (DER) is 27% lower than the Target Emission Rate (TER) required for Silver.</p> <p>The introduction of Gold Standards supports the delivery of LOIP Stretch Outcome 14 in relation to Prosperous Place.</p> <p><b>ACC shall deliver integrated and connected communities and the infrastructure that supports this connectivity</b> – for the Gold standard this includes for each dwelling to have a mobility space suitable for an electric wheelchair, pram or bicycle. The Gold Standard will provide an office/study space.</p> <p><b>ACC shall deliver homes that minimise ongoing demands and costs for repair</b> – for the Gold standard this includes for the use of water saving technology within the dwellings. Tenants will also be better informed about their homes with direct ‘easy release’ adhesive labels being provided on all key heating and ventilation equipment. A further feature that will minimise the cost for repair and the retention of value within the dwellings is through consideration of waste minimisation arising from the built-form.</p>
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<b>Design Principles of Target Operating Model</b>	
	<b>Impact of Report</b>
<b>Customer Service Design</b>	Tenant consultation does align to networking, communication and learning opportunities that support customer service design e.g. early intervention and prevention, data management and are aligned to good customer service.
<b>Organisational Design</b>	This promotes quality relationships between tenants and the Council - a landlord. This is a core aspect of the interim structure of the Early Intervention and Community Empowerment structure and culture.
<b>Governance</b>	This continues robust management of the HRA account.
<b>Workforce</b>	Housing Revenue Account should align with workforce principles e.g. flexibility and empowerment.

<b>Process Design</b>	Housing Revenue Account should be effective in enabling the most efficient method to provide housing to the 22,000 tenancies.
<b>Technology</b>	Housing Revenue Account priorities should maximise effective use of technology.
<b>Partnerships and Alliances</b>	Housing Revenue Account priorities should maximise the opportunity benefit of partnering e.g. rapid rehousing.

## 8. IMPACT ASSESSMENTS

<b>Assessment</b>	<b>Outcome</b>
<b>Equality &amp; Human Rights Impact Assessment</b>	An <a href="#">Equality and Human Rights Impact Assessment (EHRIA) in connection with the Council housing building programme has been carried out on 11.4.2018 based on report no RES/18/006</a>
<b>Data Protection Impact Assessment</b>	Privacy impact assessment (PIA) screening has been undertaken and a PIA is not necessary.
<b>Duty of Due Regard / Fairer Scotland Duty</b>	The new Council House Building Programme will improve and increase choices for households in meeting their housing needs in this sector of the housing market.

## 9. BACKGROUND PAPERS

- 9.1 Council 6 March 2018: Draft Housing Revenue Account Budget and Housing Capital Budget 2018/19 to 2022/23: report no CG/18/030.
- 9.2 Capital Programme 23 May 2018: Shaping Aberdeen Housing LLP – Referral from City Growth and Resources: report no RES/18/006.
- 9.3 Council 5 March 2019: Housing Revenue Account Budget 2019/20: report no RES/19/202.

## 10. APPENDICES

Exempt Appendix 01: 'ACCHP Establishing the Housing Standard Report'

## 11. REPORT AUTHOR CONTACT DETAILS

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