

FINANCE AND RESOURCES COMMITTEE

ABERDEEN, 5 November 2024. Minute of Meeting of the FINANCE AND RESOURCES COMMITTEE. Present:- Councillor McLellan, Convener; Councillor Yuill, Vice-Convener; and Councillors Allard, Brooks, Farquhar, Greig, Malik, Radley (as substitute for Councillor Cooke) and Watson.

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 item 14.1 (Transfer of Officer Role via Tupe to Aberdeen City Council Staff), item 14.2 (Former Victoria Road School, Torry), item 15.2 (Asset Transfer Request for the Torry Youth and Leisure Centre – Exempt Appendix) and item 15.3 (Work Plan and Business Cases – Exempt Appendices) with the press and public excluded from the meeting.

The Committee resolved:-

in terms of Section 50A(4) of the Local Government (Scotland) Act 1973, to exclude the press and public from the meeting during consideration of the above items so as to avoid disclosure of information of the classes described in the following paragraph of Schedule 7(A) to the Act:- article 16 (paragraph 1) article 17 (paragraphs 6 and 9), article 18 (paragraphs 4 and 6) and article 19 (paragraph 8).

DECLARATIONS OF INTEREST AND TRANSPARENCY STATEMENTS

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

- (1) Councillor Greig advised that he had a connection in relation to agenda item 8.1 (Annual Performance Reports - 2023/2024 for all Tier 1 ALEOs: Aberdeen Performing Arts; Aberdeen Sports Village; Bon Accord Care; Sport Aberdeen) by virtue of him being a Council appointed member of the Aberdeen Performing Arts Board. Having applied the objective test, he did not consider that he had an interest and would not be withdrawing from the meeting.

DEPUTATION BY MR ALASDAIR ROSS, ACVO

3. The Committee had before it a deputation by Mr Alasdair Ross, on behalf of Aberdeen Council of Voluntary Organisations (ACVO) in relation to item 8.2 (Medium Term Financial Strategy for the Council's General Fund, 2024). (Article 7 of this minute refers).

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Mr Ross provided background information regarding ACVO and advised that discussions had been held with its member organisations to formulate a response on their behalf.

He advised that during Phase 1, third sector organisations across the city were encouraged to contribute directly to the engagement work undertaken by the Council, and to ensure that their staff, volunteers, customers and service users also took part in the consultation activities and that their members intended contributing further during Phase 2 of the consultation.

He indicated that once again the Council should be applauded for its commitment to early engagement on its budget and that this year had seen significant improvements to the online interface and in the availability of open public sessions where people had been able to give their views. He advised that they recognised the complexities of such an exercise and whilst there would always be improvements that could be made, they believe other public bodies should be following this good example of early engagement.

He intimated that their members recognised the financial position the Council finds itself in more than anyone, because their sector was permanently at the bottom of the funding pile. He explained that they had been asked to respond on the sector's behalf at this early stage in the process to present some broad areas of consideration.

Mr Ross advised that the following questions were posed to decision makers and budget holders by their members:-

- Who should pay for services that support our communities?;
- What would our city be like without a strong third sector?; and
- Was it realistic to expect more for less?

Mr Ross outlined the key areas of focus, which were:-

- (1) Sustainability of the sector -
 - (a) Budget cuts had a direct impact on the ability of third sector organisations to deliver essential services, leading to reduced capacity, increased waiting lists, and compromised quality of care;
 - (b) Inadequate funding made it challenging to retain skilled staff, who were often lured away by higher-paying roles in other sectors;
 - (c) The sector strived to maintain fair work practices, including living wages and no-zero hour contracts. However, these standards had become increasingly difficult to uphold in the face of funding cuts.
- (2) Early Intervention and Prevention -
 - (a) The third sector agreed on the importance of prevention and early intervention as a cost effective strategy for addressing social issues;
 - (b) A balance had to be struck because immediate demand remained high and a response was required.
- (3) Community-Led Solutions -
 - (a) Third sector organisations possess valuable local knowledge and expertise that could inform policy decisions and service delivery. The sector played a

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- vital role in engaging communities, fostering social cohesion, and promoting resilience; and
- (b) Not all communities had the capacity or resources to identify and build solutions to the issues they face. Investment in community development was required.
- (4) Funding Models -
 - (a) More flexible funding models that allowed for adaptation to changing needs and circumstances would enhance the sustainability of third sector organisations; and
 - (b) Long-term investment in the third sector as a strategic partner could yield long-term benefits for the city, including improved outcomes for residents and reduced reliance on public services.

Mr Ross outlined the recommendations, as follows:-

- (1) Uncomfortable and serious whole-system discussions between the Council, other public agencies and the third sector were required to prevent catastrophic loss of services. A long term strategy for funding and supporting the third sector was needed, recognising its vital role in addressing social challenges;
- (2) The sector was asking that their work was valued, both in terms of respect for the work we do, but valued financially for the impact it had. Charity was not free.
- (3) Involve the third sector in the decision-making process, not just in the consultation process, to ensure that their needs were built into the outcomes. Organisations who may be affected by proposals should be offered a direct line into the process so that a very clear picture of impact could be understood by the Council in detail.
- (4) Acknowledgment that communities could not replace public services or mitigate their loss without the financial resources to do so.
- (5) Cuts and service reductions that impact vulnerable communities should not be considered. It was a false economy and would drive even more demand to their stretched and underfunded third sector services.

In conclusion Mr Ross advised that their member organisations understood, more than most, the financial situation that the Council finds itself in because it reflected the economic situation of their own sector over decades. He intimated that the message from the third sector to the Council was not one of “us and them” – it was that they were one city striving for the same thing. He explained that “We are you, and you are us” was a direct quote from one of their members talking about the decisions that Aberdeen City Council face.

Mr Ross responded to questions from members of the Committee.

The Committee resolved:-

to note the deputation and to thank Mr Alasdair Ross for his contribution and attendance.

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MINUTE OF PREVIOUS MEETING OF 12 SEPTEMBER 2024

4. The Committee had before it the minute of meeting of the Finance and Resources Committee of 12 September 2024.

The Committee resolved:-

to approve the minute.

COMMITTEE PLANNER

5. The Committee had before it the Committee Business Planner prepared by the Interim Chief Officer - Governance.

The Committee resolved:-

- (i) to note the reasons for deferral in relation to item 7 (School Estate Plan: Bucksburn and Dyce Secondary School Provision – Outline Business Case) and item 9 (Visitor Levy Scheme);
- (ii) to remove item 6 (Commercial Property Auctions Annual Report), item 47 (Newhills Additional Primary School), item 48 (Outline Business Case: Oldmachar Primary Schools Excess Capacity), item 49 (School Estate Plan: Loirston Loch Primary School Provision - Outline Business Case), item 50 (School Estate Plan: Grandhome/Oldmachar/Bridge of Don Secondary School Provision – Outline Business Case) for the reason outlined within the planner; and
- (iii) to otherwise note the Committee Planner.

TRANSPARENCY STATEMENTS

During discussion of the following item:-

- (1) Councillor Yuill, the Vice Convener advised that he had a connection in relation to the following item by virtue of him being a Council appointed member of the NHS Grampian Health Board. Having applied the objective test, he did not consider that he had an interest and would not be withdrawing from the meeting; and
- (2) Councillor Radley advised that she had a connection in relation to the following item by virtue of her being a Council appointed member of the Visit Aberdeenshire Board. Having applied the objective test, she did not consider that she had an interest and would not be withdrawing from the meeting.

ANNUAL PERFORMANCE REPORTS - 2023/2024 FOR ALL TIER 1 ALEOS: ABERDEEN PERFORMING ARTS; ABERDEEN SPORTS VILLAGE; BON ACCORD CARE; SPORT ABERDEEN - CORS/24/285 - COUNCIL OF 11 OCTOBER 2024

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6. The Committee had before it a report by the Director of Corporate Services which presented the annual performance reporting of the Council's four Tier one Arms Length External Organisations (ALEOs) covering financial year 2023/2024: Aberdeen Performance Arts (APA); Aberdeen Sports Village (ASV); and Bon Accord Care and Sport Aberdeen (SA).

The report recommended:-

that the Committee note the Annual Performance Reports for each of the Tier one ALEOs.

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

that the Committee approve the recommendation.

Councillor Malik, seconded by Councillor Watson, moved as an amendment:-

that the Committee:-

- (1) note the contents of the report;
- (2) agree that in respect of Sport Aberdeen, the people of Aberdeen have been let down by the SNP closure of Bucksburn Pool. Agrees the contract for the upgrade of Bucksburn Pool must be expedited as quickly as possible and requests that a programme for the works is presented within the next scheduled Capital Update Report to the Finance and Resources Committee to give confidence to the project progressing; and
- (3) agree that Bon Accord Care plays an important part in the Council's prevention and intervention agenda and calls on the Aberdeen City IJB to recognise this during its budget setting process for 2025/26.

On a division, there voted:- for the motion (5) – the Convener, the Vice Convener and Councillors Allard, Greig and Radley; for the amendment (4) – Councillors Brooks, Farquhar, Malik and Watson.

The Committee resolved:-

to adopt the motion.

MEDIUM TERM FINANCIAL STRATEGY FOR THE COUNCIL'S GENERAL FUND, 2024 - CORS/24/283 - COUNCIL OF 11 OCTOBER 2024

7. The Committee had before it a report by the Director of Corporate Services which (1) provided details in relation to a Medium Term Financial Strategy (MTFS), which pulled together, in one place, the known factors affecting the financial position and financial sustainability of an organisation's General Fund over the medium term; and (2) drew out the scenarios that the Council faces and described the approach to address the conclusions.

The report recommended:-

that the Committee –

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- (a) approve the Medium Term Financial Strategy for the General Fund, 2024;
- (b) note that the Scottish Government, in light of the July 2024 General Election and limited information provided by the UK Government in advance of the Autumn Budget Statement at the end of October 2024, has not yet published a revised Medium Term Financial Strategy (MTFS) for 2024. The Scottish Budget for 2025/26 has been announced as being presented to the Scottish Parliament on 4 December 2024;
- (c) note that the Scottish Government published its latest Programme for Government in September 2024, alongside announcements of several emergency spending controls and savings measures for 2024/25. This, in addition to the outcome of the Local Government Settlement for 2024/25 and information included in the previous MTFS from Scottish Government means the Central Scenario maintains a flat cash position for grant funding from the Scottish Government for future financial years. The MTFS model also includes previously approved savings of £9.155 million for 2025/26, and will be updated for the Council's Budget meeting in March 2025 with details of the actual financial settlement for 2025/26;
- (d) note that the Strategy relies on delivering its intentions contained in the TOM1.2 report [Council, August 2022, CUS/22/171 and Council, February 2024, CUS/24/043] which describes the approach the Council intends to take through transformation and multi-agency working to contribute towards closing the gap between income and expenditure forecast;
- (e) note that although inflation has fallen back to Bank of England target levels, the 2024/25 pay awards for Scottish local government have still to be agreed, and this may have an impact on the future funding gap;
- (f) note that the report Capital Programme Delivery: Projects Update – CR&E/25/273 was presented to the Finance and Resources Committee on 12 September 2024;
- (g) note that the Capital Programme, as included in the Council Financial Performance Quarter 1, 2024/25 report (CORS/24/223), is the basis for capital financing costs and debt levels referred to in the MTFS and following the regular review of the Loans Fund Repayment Policy, approve the policy for 2025/26 and beyond as described in Table 5 of the MTFS;
- (h) note the 2025/26 Budget will be discussed and set by the Council in March 2025 following an extensive public engagement exercise as required by the Scheme of Governance and Budget Protocol, and that details of the Phase 1 consultation exercise are contained in Appendix 4. For Phase 2 consultation, while the central scenario will be key, it will be prudent to identify the impact of options that address the Downside scenario shown in the MTFS 2024 and the results of the engagement will be reported to Council in December 2024;
- (i) note that the Council's Financial Resilience Framework shows that the General Fund has underlying resilience of £12m (uncommitted reserves) which is a falling percentage of the net General Fund budget. The Council should consider if, in the current financial climate, that is sufficient and decide during the 2025/26 budget setting process whether to budget for this to increase;
- (j) note that the strength of the Council Balance Sheet as at 31 March 2024 (net worth is £1.35bn) is reduced from to the year before. Key changes are in unusable reserves relating to the capital accounting and asset valuation changes;

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- (k) note that the Resilience Framework identifies that the total value, and cost of servicing, debt is rising. Careful consideration will have to be given to each and every capital project to ensure it fits with the Council's Strategic priorities, ensures it delivers Best Value, as well as being affordable, sustainable, and prudent in compliance with the Prudential Code;
- (l) note that the options available to the Council for managing rising debt levels include reducing the scale and scope of the General Fund Capital Programme or extending the programme of projects over a much longer period. With the costs rising, these capital financing costs are forecast to become a larger proportion of the Council's net income. The Council approved a cap on the cost of capital financing of 12% of Net Revenue Expenditure and this will require difficult decisions if Revenue Funding from Scottish Government and Council Tax income does not increase in future years;
- (m) note that the Chief Officer – Finance has an instruction to review the Council's Long term Financial Strategy and this will be reported to Council later this financial year; and
- (n) note that the Chief Officer – Finance will continue to develop the Financial Resilience Framework with a view to embedding it across the councils financial planning, financial monitoring, and financial year end reporting arrangements.

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

that the Committee approve the recommendations contained within the report.

Councillor Malik, seconded by Councillor Watson, moved as an amendment:-

that the Committee –

- (1) note the recommendations contained within the report, noting 13 out of 14 of the recommendations within the report are noting recommendations in any event;
- (2) agree the budget proposed by the Labour Chancellor on Wednesday 30 October was a budget that benefits Scotland, which, subject to the SNP in Holyrood making the right choices for local authorities, gives this city hope for the Council's Medium Term Financial Strategy becoming more sustainable in the future;
- (3) agree that section 114 of the Local Government Finance Act 1988 does not apply to Scotland and agrees Aberdeen City Council has already been subject to a "best value audit" which led Audit Scotland to hold a public hearing in 2008 and agrees that the SNP/Lib Dem administration do not appear to have learned any lessons from the time they shamed the city in 2008; and
- (4) agree 1.18 of the Medium Term Financial Strategy for the General Fund and instructs the Chief Executive to put these principles into action when officers bring forward the budget report for financial year 2025/26.

On a division, there voted:- for the motion (7) – the Convener, the Vice Convener and Councillors Allard, Brooks, Farquhar, Greig and Radley; for the amendment (2) – Councillors Malik and Watson.

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The Committee resolved:-
to adopt the motion.

TRANSPARENCY STATEMENTS

During discussion of the following item:-

- (1) Councillor Yuill, the Vice Convener advised that he had a connection in relation to the following item by virtue of him being a Council appointed member of NHS Grampian Board. Having applied the objective test, he did not consider that he had an interest and would not be withdrawing from the meeting; and**
- (2) Councillor Watson advised that he had a connection in relation to the following item by virtue of him being an employee of UNISON. Having applied the objective test, he did not consider that he had an interest and would not be withdrawing from the meeting.**

COUNCIL FINANCIAL PERFORMANCE - QUARTER 2, 2024/25 - CORS/24/307

8. The Committee had before it a report by the Director of Corporate Services which provided the financial position of the Council as at Quarter 2 (30 September 2024) and the full year forecast position for the financial year 2024/25, including:-

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

The report recommended:-

that the Committee –

- (a) note the cash position that has been achieved for the General Fund and HRA to the end of Quarter 2 as detailed in Appendix 1;
- (b) note the Common Good financial performance to the end of Quarter 2 as detailed in Appendix 3;
- (c) note that the General Fund full year forecast position remains on track to achieve a full year outturn of 'on budget' although there are a range of financial risks that exist for the financial year. Continuing action and controls, as outlined in Appendix 2 will remain in place for the remainder of the financial year;
- (d) note that the Council maintains financial resilience with the resources available on the Council Balance Sheet, the General Fund Reserves in particular. As at 31 March 2024 the uncommitted value of those reserves was £12m, the minimum that the Council Reserves Statement recommends and as approved by the Council;

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- (e) note that the HRA full year forecast position, as detailed in Appendix 2, is forecasting a deficit of £3.1m at this time and continues to face challenging cost pressures as outlined in Appendix 2 and the HRA Budget Report 2024/25;
- (f) note that the Council relies on the Integration Joint Board (IJB) achieving a balanced budget, and that the IJB retains reserves to mitigate unplanned additional costs arising during the year. However, there remains a high risk that if there is an overspend at the end of the financial year the Council may have to fund a portion of that deficit; and
- (g) note that the forecast for General Fund Capital budget has been updated to include agreed adjustments and carry forwards from 2023/24. Housing Capital expenditure is currently forecast to be on budget for 2024/25.

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

that the Committee approve the recommendations contained within the report.

Councillor Malik, seconded by Councillor Watson, moved as an amendment:-

that the Committee –

- (1) note the recommendations contained within the report, noting all recommendations contained therein are noting recommendations with no substantial decisions being asked for;
- (2) commend the Chancellor of the Exchequer's budget which will provide an extra £3.4 billion pounds to Scotland;
- (3) agree that the SNP Scottish Government must use that huge uplift delivered by a Labour Government to ensure local authorities like Aberdeen City are not strangled by austerity cuts imposed by the SNP;
- (4) agree that the Labour budget signifies the end of austerity, although austerity measures could still remain in Scotland if the SNP Scottish Government does not invest in public services with the financial bonanza provided to them by Labour;
- (5) agree that the Finance and Resources Committee Convener should write to the Scottish Government condemning their centralised approach to Education and demanding that the Scottish Government, if working in partnership with local government, should not place £5m of core funding for Aberdeen City at risk over matters which the Council is unable to control nationally; and
- (6) note in Appendix 1 that the Housing Revenue Account is experiencing financial pressure from void properties. Agree the SNP has lost control of the HRA Budget meaning tenants will be forced into huge rent increases thanks to SNP incompetence in trying to balance the Housing Revenue Account.

On a division, there voted:- for the motion (7) – the Convener, the Vice Convener and Councillors Allard, Brooks, Farquhar, Greig and Radley; for the amendment (2) – Councillors Malik and Watson.

The Committee resolved:-

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to adopt the motion.

FUNDING EXTERNAL BODIES AND FOLLOWING THE PUBLIC POUND POLICY UPDATE - CORS/24/304

9. With reference to article 15 of the minute of meeting of Audit Risk and Scrutiny Committee of 27 June 2024, the Committee had before it a report by the Director of Corporate Services which sought approval of the amended and updated Following the Public Pound policy guidance.

The report recommended:-

that the Committee approve the updated Following the Public Pound guidance as appended to the report as Appendix 1.

The Convener, seconded by the Vice Convener, moved:-
that the Committee approve the recommendation.

Councillor Malik, seconded by Councillor Watson, moved as an amendment:-
that the Committee –

- (1) note the report; and
- (2) agree that the Chief Officer – Finance should seek clarity from The Office of the Scottish Charity Regulator (OSCR) in relation to those Arm's Length External Organisations (ALEOs) registered as charities within our portfolio to ensure in particular Sport Aberdeen still meets the requirements as laid out within the report of 2015 as referenced at section 1.18 of the appendix to this report.

On a division there voted:- for the motion (7) – the Convener, the Vice Convener and Councillors Allard, Brooks, Farquhar, Greig and Radley; for the amendment (2) – Councillors Malik and Watson.

The Committee resolved:-

to adopt the motion.

FLEET REPLACEMENT PROGRAMME - CR&E/24/306

10. With reference to article 6 of the minute of meeting of 22 November 2023, the Committee had before it a report by the Director of City Regeneration and Environment which (1) provided an update on the progress of the Fleet Vehicles and Assets replacement programme; (2) reset the Fleet Asset Management Plan (Appendix A), which identified age and replacement plans for all vehicles and plant to provide assurance on effective identification of assets to populate the Phase 5 Fleet Replacement Programme Projected Spend for 2024/25 (Appendix B) and future Fleet

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Replacement requests; and (3) provided an updated position on the interdependencies of the provision of alternative fuel technology on the Fleet Replacement Programme.

The report recommended:-

that the Committee –

- (a) note the refreshed Fleet Asset Management Plan and approves the use of the Plan to identify future replacement requests;
- (b) approve the Phase 5 Fleet Replacement Programme for 2024/25 (as detailed in Appendix B); and
- (c) delegate authority to the Chief Officer – Operations, following consultation with the Chief Officer - Commercial and Procurement Services and Chief Officer – Finance:-
 - (1) to consider and approve any additional procurement business cases for vehicles and plant for the purposes of Procurement Regulation 4.1.1.2;
 - (2) then consult with the Convener and Vice Convener, Finance and Resources Committee and thereafter to procure appropriate works, supplies and services, and
 - (3) to enter into any contracts necessary for the vehicles and plant without the need for further approval from any other Committee of the Council, within the current Capital budget.

The Committee resolved:-

to approve the recommendations.

COMMITTEE ANNUAL EFFECTIVENESS REPORT - CORS/24/302

11. The Committee had before it a report by the Director of Corporate Services which presented the annual report of the Finance and Resources Committee to enable Members to provide comment on the data contained within.

The report recommended:-

that the Committee –

- (a) provide comments and observations on the data contained within the annual report; and
- (b) note the annual report of the Finance and Resources Committee.

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

that the Committee note the annual report of the Finance and Resources Committee.

Councillor Malik, seconded by Councillor Watson, moved as an amendment:-

that the Committee –

- (1) agree that governance of the Council and its committees has gone backwards following the recent changes to Standing Orders;

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- (2) agree that it is Aberdeen Labour Group's opinion that the Committee dealt with a matter on the City Centre and Beach Masterplan that was out with the remit of the Committee on the basis that Council had not approved the transfer of the City Centre and Beach Masterplan to the Committee, they only referred it to the Committee; and
- (3) remind members that, at the Finance and Resources Committee meeting on 7 August 2024, Councillor Watson is on record reporting that he was having online technology difficulties, but agrees that not enough was done about this by the Convener, meaning transparency and scrutiny was revoked in favour of a 30-minute meeting of committee thus denying the full voice of the Committee to be heard.

On a division there voted:- for the motion (7) – the Convener, the Vice Convener and Councillors Allard, Brooks, Farquhar, Greig and Radley; for the amendment (2) – Councillors Malik and Watson.

The Committee resolved:-

to adopt the motion.

GRANT REVIEW - CR&E/24/303

12. With reference to article 6 of the minute of meeting of 8 May 2024, the Committee had before it a report by the Director of City Regeneration and Environment which presented a review of grants awarded in Financial Year 2023-24, including the UK Shared Prosperity Fund.

The report recommended:-

that the Committee –

- (a) note the findings outlined in this report from the peer-led Grant Review of grants administered in Financial Year 2023-24;
- (b) note the recent introduction of the Scottish Government's Fair Work First policy, and the Subsidy Control Act 2022 (UK-wide legislation), and the impact that both have on the awarding of grant funding; and
- (c) note the activity which is taking place to address the said policy and legislation and the findings from the peer-led Grant Review.

The Committee resolved:-

- (i) to approve the recommendations contained within the report; and
- (ii) to note that the Chief Officer – City Development and Regeneration, the Chief Officer – Commercial and Procurement Services and the Chief Officer - Governance would provide clarity in relation to subsidy control and circulate the information to the members of the Committee.

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INTERNATIONAL TRAVEL 2024/25 - REVISION - CR&E/24/347

13. With reference to article 13 of the minute of meeting of 30 January 2024, the Committee had before it a report by the Director of City Regeneration and Environment which sought approval for travel and attendance at European engagements in November and December 2024, proposed as alternatives to travel previously approved in the International Travel 2024/25 report.

The report recommended:-

that the Committee –

- (a) approve international travel and overseas conference attendance to support City Development and Regeneration activity as detailed below, and subject to the maximum expenditure set out in paragraph 4.1:
 - (1) One Elected Member plus one officer to attend European Hydrogen Week in Brussels, Belgium between 17 – 22 November 2024; and
 - (2) One officer to attend JIVE/REVIVE Demand Aggregation Workshop in Groningen, Netherlands between 3 – 4 December 2024;
- (b) delegate authority to the Chief Officer – City Development and Regeneration to authorise necessary and appropriate travel documentation and associated expenditure for the travel noted in (a) above, provided costs do not exceed the budget referred to in paragraph 4.1 of this report and that all arrangements are made in line with current Council travel policies; and
- (c) agree that the outcomes of the overseas activity proposed in (a) will be provided to this Committee by way of the planned annual Service Update in March 2025.

The Committee resolved:-

to approve the recommendations.

TRANSPARENCY STATEMENT AND DECLARATION OF INTEREST

During discussion of the following item:-

- (1) Councillor Watson advised that he had a connection in relation to the following item by virtue of him being a Ward member within the area of the request and recently visited the premises to which the report relates. Having applied the objective test, he did not consider that he had an interest and would not be withdrawing from the meeting; and
- (2) Councillor Brooks declared an interest by virtue of him being of Christian faith. He considered that the nature of his interest would require him to leave the meeting, therefore he took no further part in proceedings for this item.

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ASSET TRANSFER REQUEST FOR THE TORRY YOUTH & LEISURE CENTRE - F&C/24/308

14. The Committee had before it a report by the Director of Families and Communities which provided details of an asset transfer request received for the Torry Youth and Leisure Centre.

The report recommended:-

that the Committee –

- (a) accept the recommendation as outlined in Appendix 1;
- (b) instruct the Chief Officer – Corporate Landlord to issue a decision letter informing the community group of the outcome of the evaluation process, with the recommended terms and conditions included; and
- (c) instruct Chief Officer – Governance to conclude missives for the transfer of the Torry Youth & Leisure Centre incorporating various qualifications as are necessary to protect the Council's interests.

The Committee resolved:-

to approve the recommendations.

WORK PLAN AND BUSINESS CASES - CORS/24/296

15. The Committee had before it a report by the Director of Corporate Services which (1) presented procurement work plans where expenditure was included for the Corporate Services, City Regeneration and Environment and Families and Communities Functions for review; and (2) sought approval of the total estimated expenditure for the proposed contracts as contained in the Procurement Business Cases appended to the report.

The Procurement Business Case related to the following:-

- Production Partner;
- Digital Process Automation;
- Cash in Transit;
- Hanover Street School Lighting System; and
- Operations Hydrogen Refuelling Stations.

The report recommended:-

that the Committee –

- (a) review the workplan as detailed in the Appendices for the Corporate Services, City Regeneration & Environment and Families and Communities Functions;
- (b) approve the procurement business cases, including the total estimated expenditure for the proposed contract;
- (c) note the content of Appendix 3 – 3.10 Memo Approvals; and
- (d) note the content of Appendix 4 – 4.1.3 Technical Exemption Approvals.

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The Committee resolved:-

to approve the recommendations.

In accordance with the decision taken at Article 1 of this minute, the following items were considered with the press and public excluded.

TRANSFER OF OFFICER ROLE VIA TUPE TO ABERDEEN CITY COUNCIL STAFF - F&C/24/298

16. The Committee had before it a report by the Director of Families and Communities which detailed the proposal and justification for the role of the *{exempt information as described in paragraph(s) 1 of Schedule 7A of the Local Government (Scotland) Act 1973}* two officers to transfer under the Transfer of Undertakings (Protection of Employment) Regulations 2006 (i.e. via TUPE) to Aberdeen City Council.

The report recommended:-

that the Committee instruct the Chief Officer - People and Citizen Services to progress the TUPE transfer of the *{exempt information as described in paragraph(s) 1 of Schedule 7A of the Local Government (Scotland) Act 1973}* two officer posts to enable them to become Aberdeen City Council employees and continue the important work in supporting these two school communities.

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

that the Committee approve the recommendation.

Councillor Malik, seconded by Councillor Watson, moved as an amendment:-

that the Committee –

- (1) agree the recommendation subject to the money for these posts coming from the General Fund contingency budget in 2024/25, to protect the Devolved School Management Scheme budgets; and
- (2) agree to refer the additional cost pressure arising from these posts to the 2025/26 General Fund budget setting process.

On a division there voted:- for the motion (5) – the Convener, the Vice Convener and Councillors Allard, Greig and Radley; for the amendment (4) – Councillors Brooks, Farquhar, Malik and Watson.

The Committee resolved:-

to adopt the motion.

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FORMER VICTORIA ROAD SCHOOL, TORRY - F&C/24/333

17. With reference to article 32 of the minute of meeting of the City Growth and Resources Committee of 18 September 2018, the Committee had before it a report by the Director of Families and Communities which provided details of a request from Grampian Housing Association to ascertain whether the Council would seek to buy-back the Former Victoria Road School site in Torry.

The report recommended:-

that the Committee –

- (a) instruct the Chief Officer – Corporate Landlord to advise Grampian Housing Association (GHA) that the Council do not wish to enter into discussions to exercise the option to buy-back the site of the former Victoria Road School site;
- (b) note the challenges with development variability on the site and the holding costs which are having to be met by GHA at this time; and
- (c) note the situation with the Regeneration Capital Grant Fund.

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

that the Committee approve the recommendations contained within the report.

Councillor Brooks, seconded by Councillor Farquhar, moved as an amendment:-

that the Committee –

- (1) recognise the previous Council Administration's positive commitment to The Victoria Road School (VRS) project, which is a partnership between Grampian Housing Association (GHA) and Torry Development Trust;
- (2) understand that the project required a mix of funding to be assembled to meet the negotiated tenders for a start on site in 2024;
- (3) note that Grampian Housing Association now has no plans for the site and its Board took the decision on 27 August 2024 to offer the site back into Council ownership as required by the original site transfer agreement;
- (4) believe that the VRS project was a unique opportunity to redevelop an iconic Torry building while providing social housing and community space;
- (5) therefore, regret the decision of Aberdeen City Council to not prioritise funding the social housing element of the VRS project, although understands that this follows on from The Scottish Government cutting the affordable housing supply programme by almost £4m for Aberdeen in 2024/2025;
- (6) further regret that Torry/Ferryhill Ward members were not advised that funding for the project was not prioritised in this financial year due to the large costs of delivery for a key local development;
- (7) believe that Torry has been let down by the current SNP led Council Administration who previously defunded and demonised Big Noise Torry and are now not prioritising a key local community redevelopment project;
- (8) welcome the decision of The Scottish Government to reprofile or roll over the £1.4m of funding from its Regeneration Capital Grant Fund (RCGF) for the community element of the project into 2024/25; and

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- (9) instructs the Chief Officers City Development and Regeneration and Housing to engage with other partners and funders to secure funding for the development of the Victoria Road School project.

Councillor Malik, seconded by Councillor Watson, moved as a further amendment:-
that the Committee –

- (1) note with despair the SNP record on bringing forward Council housing, 2 and ½ years into this Administration and they have still not proposed bringing forward one single new council home;
- (2) contrast that record against the previous administration's record of bringing forward 2,000 council homes right across Aberdeen;
- (3) agree the SNP like to speak about a housing emergency, but facts speak for themselves where their 30-year vision for council homes in the city brought forward not one single council house - a record that shames our city;
- (4) instruct the Chief Officer - Corporate Landlord to write to Grampian Housing Association (GHA) to ask them to extend the timescale for the Council to make a decision on buying the site back until a business case can be brought before the Committee;
- (5) if GHA agree to extend the timescale instruct the Chief Officer - Corporate Landlord to bring a high level business case to the next available meeting of this Committee to consider how the site could be transferred to the Housing Revenue Account and thereafter redeveloped by the Council for a council housing led redevelopment considering the capital and revenue cost implications, the impact on existing grants, the sites planning status and holding costs and potential risks; and
- (6) agree that to do nothing will mean the site continues to lie empty and remain an attraction for anti-social behaviour.

At this juncture, the Committee agreed to suspend Standing Order 40.2 to extend the length of the meeting.

In terms of Standing Order 29.20, a vote was taken between the two amendments.

On a division, there voted:- for the amendment by Councillor Brooks (1) – Councillors Farquhar; for the amendment by Councillor Malik (2) – Councillors Malik and Watson; declined to vote (5) – the Convener, the Vice Convener and Councillors Allard, Greig and Radley.

A vote was then taken between the motion by the Convener and the successful amendment by Councillor Malik.

On a division there voted:- for the motion (5) – the Convener, the Vice Convener and Councillors Allard, Greig and Radley; for the amendment (3) – Councillors Farquhar, Malik and Watson.

The Committee resolved:-

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to adopt the motion.

ASSET TRANSFER REQUEST FOR THE TORRY YOUTH & LEISURE CENTRE - EXEMPT APPENDIX

18. The Committee had before it an exempt appendix relating to the Asset Transfer Request for the Torry Youth and Leisure Centre report. (Article 14 of this minute refers).

The Committee resolved:-

to note the information contained within the exempt appendix.

WORK PLAN AND BUSINESS CASES - EXEMPT APPENDICES

19. The Committee had before it exempt appendices relating to the Work Plan and Business Cases report. (Article 15 of this minute refers)

The Committee resolved:-

to note the information contained within the exempt appendices.

- **COUNCILLOR ALEX MCLELLAN, Convener**