

## GOVERNANCE

### DECISION SHEET

#### FINANCE AND RESOURCES COMMITTEE - WEDNESDAY, 12 FEBRUARY 2025

Please let the Committee Officer know as soon as possible if you do not agree with any action proposed in this decision sheet. These are decisions of the Committee and there is an expectation that action will be taken. If for any reason it is apparent that you will not be able to act on these instructions in full or in part or that there will be a delay, please let the Committee Officer know as it may be necessary to advise the Committee or seek further instructions from the Committee.

|     | Item Title  | Committee Decision   | Cluster Required to take action | Officer to Action |
|-----|---|--|---------------------------------|-------------------|
| 1.1 | <u>Urgent Business</u>                                      | <b>The Committee resolved:</b><br>there was no Urgent Business.  |                                 |                   |
| 2.1 | <u>Determination of Exempt Business</u>                     | <b>The Committee resolved:</b><br>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 item 14.1 (Work Plan and Business Cases – Exempt Appendices).   |                                 |                   |
| 3.1 | <u>Declarations of Interest and Transparency Statements</u> | <b>The Committee resolved:</b><br>Councillor Cooke advised that he had a connection in relation to agenda item 9.1 (Council Financial Performance – Quarter 3, 2024/25) by virtue of him being a Council appointed member of the Sport Aberdeen Board and the Chairperson of the Integrated Joint Board. Having applied the objective test, he did not consider that he had an interest and would not be withdrawing from the meeting. |                                 |                   |
| 4.1 | <u>Deputations</u>  | <b>The Committee resolved:</b><br>there were no Deputations.   |                                 |                   |

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| 5.1 | <b><u>Minute of Previous Meeting of 5 November 2024</u></b>   | <b><u>The Committee resolved:</u></b><br>to approve the minute.   |                                 |                   |
| 6.1 | <b><u>Committee Planner</u></b>   | <b><u>The Committee resolved:</u></b><br>(i) to note the reasons for deferral in relation to item 22 (School Estate Plan: Victorian School Building Improvements – Outline Business Case);<br>(ii) to remove item 8 (Proposed Sale of Land at Denwood / Hazlehead) for the reason outlined within the planner; and<br>(iii) to otherwise note the Committee Planner.  |                                 |                   |
| 7.1 | <b><u>Notice of Motion by Councillor Malik - Referred from Council on 11 December 2024</u></b><br><br>“That the Council:-<br>(1) Notes the Planning Development Management Committee’s decision on 7 November 2024 to approve planning permission conditionally, subject to referral to the Scottish Ministers due to SEPA’s objection, over Land at Coast Road, St Fittick’s Park/Gregness Headland/Doonies Farm, Aberdeen, following an application by ETZ Ltd who, at the time of the application, had no meaningful | <b><u>The Committee resolved:</u></b><br>Note the undernoted decision of Full Council, 11 September 2023, in relation to the report “Land Options Within the Energy Transition Zone” (RES/23/287) and acknowledges a report will be forthcoming following the ongoing legal case:-<br><i>That Council, on 11 September 2023, agreed to:-</i><br>(i) <i>instruct the Chief Officer - Corporate Landlord, in Aberdeen City Council’s capacity as land owner, that St Fittick’s OP56 and Doonies OP61 sites were only to be made available for lease and must remain in Council ownership and that, furthermore,</i> |                                 |                   |

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|  | <p>(2) legal interest in the Land; Notes Govan Law Centre has lodged a reclaiming motion (appeal) to the Inner House of the Court of Session in the environmental justice judicial review of McLean v. Aberdeen City Council. The appeal concerns a decision by Aberdeen City Council (ACC) to possibly industrialise St. Fittick’s Park as part of its Energy Transition Zone (ETZ) plan for the city;</p> <p>(3) Notes the decision of Council regarding Land Options Within the Energy Transition Zone 11.09.2023 “to recommend to the Planning Development Management Committee that any future reports of the ETZ Masterplan be reported to the earliest appropriate meeting of Full Council” and seeks clarification as to why the matter was raised at Planning Development Management Committee and not Full Council as agreed by Elected Members;</p> <p>(4) Instructs the Chief Officer - Corporate Landlord to bring forward to Full Council, within two cycles, a plan as to how the Council intends to market the land owned by the Council which forms part of the Land noted above for the Council to obtain best value,</p> | <p><i>any such lease agreement was only to be entered into at the point where an end user was agreed by Aberdeen City Council and financial close was reached;</i></p> <p><i>(ii) instruct the Chief Officer - Corporate Landlord to enter formal dialogue with ETZ Ltd and PoA to discuss the optimum partnership arrangements to take forward the future development of the sites and ensure the delivery of the outcomes identified by ETZ Ltd in their masterplan and in the North East Regional Economic Strategy and in line with Best Value principles;</i></p> <p><i>(iii) instruct the Chief Officer - Corporate Landlord, following consultation with the Chief Officer - Finance and Chief Officer – Governance, to consider as part of such potential partnership arrangements how a proportion of the lease income from the sites could be used for the benefit of the local community;</i></p> <p><i>(iv) agree that approval of any leases was contingent on Council approval of the community benefit package, which was to progress, so far as was practical, parallel with the granting of leases;</i></p> |                                 |                   |

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|  | <p>(5) rather than allow ETZ Ltd the opportunity to take over this land without competitive tenders; and Agrees that Aberdeen City Council as landowner should remove St Fittick's Park from any proposed redevelopment."</p> | <p>(v) <i>note that in a recent briefing to elected members of Aberdeen City Council, the Chief Executive of ETZ Ltd wrote: "...we are in advanced discussions with a number of inward investors focused on cable manufacturing, moorings and anchorings, seeking to locate on the site (subject to planning) for these very reasons.";</i></p> <p>(vi) <i>instruct the Chief Officer - Corporate Landlord to engage with PoA, ETZ Ltd, and any other interested party, as to any proposals they had to develop the site, including full details of the development, the rationale for the location of their business and any mitigations proposed to minimise the impact on local residents;</i></p> <p>(vii) <i>note community amenity and wellbeing were key considerations for Aberdeen City Council as the landowner; and instruct the Chief Officer - Corporate Landlord that individual lease agreements must include details of the community impact remediation steps that would be implemented at the termination of the lease;</i></p> <p>(viii) <i>instruct the Chief Officer - Early Intervention and Community</i></p> |                                 |                   |

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|     |  | <p><i>Empowerment and Chief Officer - Commercial and Procurement to report through a service update on how the local community may participate in any decision-making process for the disbursement of funds that may be identified for the benefit of communities;</i></p> <p><i>(ix) recommend to the Planning Development Management Committee that any future reports of the ETZ Masterplan be reported to the earliest appropriate meeting of Full Council; and</i></p> <p><i>(x) instruct the Chief Officer - Corporate Landlord to report the outcome of discussions regarding St Fittick's OP56 and Doonies OP61 sites to the earliest appropriate meeting of Full Council.</i></p> |                                 |                   |
| 8.1 | <p><b><u>Annual Procurement Report 2023-24 - CORS/24/354 - Referred from Council on 11 December 2024</u></b></p> | <p><b>The Committee resolved:</b></p> <p>(i) note the Annual Procurement Report (Appendix A);</p> <p>(ii) to instruct the Chief Officer – Commercial and Procurement Services to circulate, by way of email, details relating to the lessons learned in respect of Covid Supplier Sustainability Scheme claims; and</p> <p>(iii) to instruct the Chief Officer – Commercial and Procurement Services to circulate a Service Update</p>   |                                 |                   |

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|     |  | in relation to the specifications of the contract with Sheriff Officers and information relating to Advocacy Services.   |                                 |                   |
| 8.2 | <b><u>Treasury Management Strategy - Mid-Year Review - CORS/24/323 - Referred from Council on 11 December 2024</u></b> | <b>The Committee resolved:</b><br>note the Treasury Management activities undertaken to date in the 2024/25 financial year as detailed in this report.   |                                 |                   |
| 9.1 | <b><u>Council Financial Performance – Quarter 3, 2024/25 - CORS/25/036</u></b>   | <b>The Committee resolved:</b><br>(a) note the cash position that has been achieved for the General Fund and HRA to the end of Quarter 3 as detailed in Appendix 1;<br>(b) note the Common Good financial performance to the end of Quarter 3 as detailed in Appendix 3;<br>(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, including the financial position of the Aberdeen City Integration Joint Board (IJB). Continuing action and controls, as outlined in Appendix 2 will remain in place for the remainder of the financial year;<br>(d) approve the use of the ‘Resilience’ earmarked reserve to fund the Council’s £4m share of the deficit that is forecast for the IJB, after use of the available IJB reserves, at the end of |                                 |                   |

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|     |  | <p>the financial year;</p> <p>(e) 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;</p> <p>(f) note that the HRA full year forecast position, as detailed in Appendix 2, is forecasting a deficit of £4.6m at this time and continues to face challenging cost pressures as outlined in Appendix 2 and the HRA Budget Report 2024/25; and</p> <p>(g) note that the forecast for General Fund Capital budget has been updated to include approved in-year virements. Housing Capital expenditure is currently forecast to be on budget for 2024/25.</p> |                                 |                   |
| 9.2 | <b><u>Unrecoverable Debt - CORS/25/015</u></b> | <p><b><u>The Committee resolved:</u></b></p> <p>(a) note the numbers and values of Council Tax, Penalty Charge Notices, Bus Lane Enforcement Charge Notices, Service Income and Council House Rent debts written off as unrecoverable during 2023/24 in terms of the Council's Financial Regulations and the reasons for such debts being written off; and</p> <p>(b) to instruct the Chief Officer – People</p>   |                                 |                   |

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|     |   | and Citizen Service to circulate details to members relating to the figures for pursuing Bus Lane fines, where new information had come to light through DVLA.  |                                 |                   |
| 9.3 | <b><u>A947 Bucksburn Roundabout to Parkhill Junction Multi-modal Corridor Study Outline Business Case - CR&amp;E/25/022</u></b> | <b><u>The Committee resolved:</u></b><br>(a) note the preferred package of active travel improvements on the A947 Bucksburn Roundabout to Parkhill Junction corridor (relevant to Aberdeen City), agreed by the Net Zero, Environment and Transport Committee in September 2024;<br>(b) approve the Outline Business Case for the preferred package of improvements within Aberdeen City (Appendix 1); and<br>(c) subject to approval of recommendation 2.2, instruct the Chief Officer – Strategic Place Planning and the Chief Officer - Capital to work with partners to seek external funding to enable the various projects included within the Outline Business Case to proceed to Detailed Design and Full Business Case development, as required. |                                 |                   |
| 9.4 | <b><u>Final Financial Settlement from Transport Scotland for the De-trunking of the A92/A96 - CR&amp;E/25/020</u></b>           | <b><u>The Committee resolved:</u></b><br>(a) note the summary of the full and final settlement proposed by Transport Scotland as detailed in Appendix A, including the additional amount of £2,884,051.88 for the work required to be carried out on the de-trunked   |                                 |                   |



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|  |            | <p>sections of road, as of 1st April 2023, to bring them up to average national standards;</p> <p>(b) note the combined settlement figures in Appendix A, which amount to the full and final settlement total of £10,954,849.23;</p> <p>(c) delegate authority to the Chief Officer – Operations to accept from Transport Scotland the full and final settlement as detailed in Appendix A and, following consultation with the Chief Officer - Commercial and Procurement Services, to arrange for the execution of the Settlement Agreements issued by Transport Scotland (as detailed in paragraph 5.2);</p> <p>(d) instruct the Chief Officer – Operations to add the agreed repairs to the current works programme, as itemised in Appendix A, and implement the required repairs in order to maintain these roads to the required standards;</p> <p>(e) instruct the Chief Officer – Operations to, following consultation with the Chief Officer - Commercial and Procurement Services, undertake or instruct appropriate procedures in accordance with the Council's Procurement Regulations to procure the works, supplies and services (referenced in recommendation 2.1 above) and award contracts relating thereto;</p> |                                 |                   |

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|     |  | <p>(f) note that Revenue and Capital expenditures for the maintenance of the detrunked road and new link road will be an annual requirement in future years ; and</p> <p>(g) note the floor adjustment to the Grant Aided Expenditure (GAE) awarded to Aberdeen City Council as detailed in section 4.4.</p>  |                                 |                   |
| 9.5 | <p><b><u>UK Shared Prosperity Fund - CR&amp;E/25/027</u></b></p> | <p><b><u>The Committee resolved:</u></b><br/> <u>UK Shared Prosperity Fund 2022-25: Local Business Support</u></p> <p>(a) note that an underspend of £135,700 has been recorded from previously approved projects within the Local Business Support priority;</p> <p>(b) approve an amendment to the Investment Plan submitted in 2022 with the inclusion of an additional intervention “S14: Funding for the development of the visitor economy”;</p> <p>(c) approve an allocation to Aberdeen City Council of up to £115,000 for the Freebie Fortnight project;</p> <p>(d) approve an allocation to Aberdeen City Council in partnership with Aberdeen Inspired of up to £10,000 to support the development of online resources and marketing of the Love Local Card;</p> <p>(e) approve an allocation to Aberdeen City Council of up to £10,700 for the development of the travel trade tours offered by the Countryside Ranger Service;</p> |                                 |                   |

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|      |  | <p><u>UK Shared Prosperity Fund 2022-25</u></p> <p>(f) note that the £7.1m received from the UK Shared Prosperity Fund has again been fully allocated for delivery by March 31st 2025;</p> <p>(g) authorise the Chief Officer – City Development and Regeneration – to reallocate any future declared underspend to new projects up to a maximum of £30,000 per project, following consultation with the Convener and Vice Convener of this Committee, to ensure that the maximum UKSPF investment is retained within Aberdeen;</p> <p><u>UK Shared Prosperity Fund 2025/26</u></p> <p>(h) note that UK Government have announced a one year extension to the programme with an allocation of £2,346,857 to the Council; and</p> <p>(i) approve the allocation of £93,874 to contribute towards management costs of the scheme, as per UKSPF regulations which details that 4% of funds can be retained by Local Authorities to ensure robust delivery and monitoring of the UKSPF Programme.</p> |                                 |                   |
| 10.1 | <u>Performance Management Framework Report - CORS/25/023</u> | <b>The Committee resolved:</b><br>to note the performance information contained within the report Appendix.   |                                 |                   |
| 11.1 | <u>Visitor Levy - CR&amp;E/25/028</u>                        | <b>The Committee resolved:</b><br>(a) note the various stages including the   |                                 |                   |

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|      |   | <p>outline proposal, consultation, and public report that local authorities are required to engage in prior to a decision on whether to proceed with a visitor levy;</p> <p>(b) note the absolute earliest proposed date that Aberdeen City Council could introduce a visitor levy is 01 April 2027;</p> <p>(c) note the sector's key stakeholders (referenced in section 3.21 of this report) that have co-designed the outline proposal;</p> <p>(d) approve the Aberdeen visitor levy scheme outline proposal (A Visitor Levy for Aberdeen - Proposal for Consultation) in the Appendix hereto; and</p> <p>(e) instruct the Chief Officer - City Development and Regeneration to proceed with wider consultation and its subsequent evaluation and report back to the Finance and Resources Committee on the consultation, and seeking a decision on how to proceed, on 6 August 2025.</p> |                                 |                   |
| 11.2 | <p><b><u>International Travel 2025/26 - CR&amp;E/25/021</u></b></p> | <p><b>The Committee resolved:</b></p> <p>(a) approves the Lord Provost (or one other Elected Member) plus one officer to attend High Wind 2025 in Stavanger, Norway between 3 - 5 March 2025;</p> <p>(b) approves international travel to support conference and event attendance related to City</p>  |                                 |                   |

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|  |            | <p>Development and Regeneration activity, and the maximum expenditure relating to such travel and attendance, as set out in Appendix 1;</p> <p>(c) approves international travel to support Tall Ships activity, and the maximum expenditure relating to such travel and attendance, as set out in Appendix 2;</p> <p>(d) delegates authority to the Chief Officer – City Development and Regeneration to (i) approve necessary travel documentation, arrangements and associated expenditure for the travel noted in recommendations 2.1 - 2.3 above, provided costs do not exceed the budgets referred to in Section 4 of this report and that all arrangements are made in line with applicable Council travel policies; (ii) determine which officers should undertake such travel; and (iii) following consultation with the Co-Leaders, determine which elected members should undertake such travel, where either the members to undertake the relevant travel are not identified in the relevant minute of this Committee or where the Lord Provost is so identified as the member to undertake such travel but is unable to do so or elects not to do so; and</p> <p>(e) agrees that the outcomes of overseas activity undertaken in 2025/26 will be provided to this Committee by way of an annual Service Update.</p> |                                 |                   |

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| 12.1 | <b><u>Update on Upper Floors of 101/103 Union Street - F&amp;C/25/032</u></b>   | <b><u>The Committee resolved:</u></b><br>(a) notes the updated position in relation to the financial viability of any redevelopment; and<br>(b) instructs the Chief Officer – Corporate Landlord to continue to monitor market conditions and to take no further action with the upper floors of the property until the completion of the new market.  |                                 |                   |
| 13.1 | <b><u>Work Plan and Business Cases - CORS/25/025</u></b><br><br>Exempt Appendices included within the Exempt Appendices Section of this Agenda below. | <b><u>The Committee resolved:</u></b><br>(a) reviews the workplan as detailed in the Appendices for the Corporate Services, City Regeneration & Environment and Families and Communities Functions;<br>(b) approves the procurement business cases, including the total estimated expenditure for the proposed contract;<br>(c) notes the content of Appendix 3 – 3.10 Memo Approvals; and<br>(d) notes the content of Appendix 4 – 4.1.3 Technical Exemption Approvals. |                                 |                   |
| 14.1 | <b><u>Work Plan and Business Cases - Exempt Appendices</u></b>  | <b><u>The Committee resolved:</u></b><br>to note the information contained within the exempt appendices.   |                                 |                   |

If you require any further information about this decision sheet, please contact Mark Masson, [mmasson@aberdeencity.gov.uk](mailto:mmasson@aberdeencity.gov.uk) or 01224 067556