

Public Document Pack



To: Councillor McLellan, Convener; Councillor Yuill, Vice-Convener; and Councillors Allard, Brooks, Cooke, Farquhar, Greig, Malik and Watson.

Town House,
ABERDEEN 29 July 2025

FINANCE AND RESOURCES COMMITTEE

The Members of the **FINANCE AND RESOURCES COMMITTEE** are requested to meet in **Committee Room 2 - Town House on WEDNESDAY, 6 AUGUST 2025 at 10.00 am**. This is a hybrid meeting and Members may also attend remotely.

The meeting will be webcast and a live stream can be viewed on the Council's website.
<https://aberdeen.public-i.tv/core/portal/home>

JENNI LAWSON
CHIEF OFFICER – GOVERNANCE

B U S I N E S S

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This Council congratulates Aberdeen FC on winning the Scottish Cup.

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- 8.1. Referrals from Council, Committees and Sub Committees

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- 13.1. Work Plan and Business Cases - CORS/25/175 (Pages 307 - 320)

There are exempt appendices in the Exempt Appendices section below.

EXEMPT/CONFIDENTIAL BUSINESS

- 14.1. No Reports in this Section

EXEMPT APPENDICES

- 15.1. Opportunity to Host the World Rally Championships in North East Scotland - Exempt Appendix (Pages 321 - 350)
- 15.2. Work Plan and Business Cases - Exempt Appendices (Pages 351 - 400)

Integrated Impact Assessments related to reports on this agenda can be viewed [here](#)

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Should you require any further information about this agenda, please contact Mark Masson, mmasson@aberdeencity.gov.uk or 01224 067556

FINANCE AND RESOURCES COMMITTEE

ABERDEEN, 7 May 2025. Minute of Meeting of the FINANCE AND RESOURCES COMMITTEE. Present:- Councillor McLellan, Convener; and Councillors Allard, Brooks, Cooke, Farquhar, Greig, Henrickson (as substitute for Councillor Yuill), Malik 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.

URGENT BUSINESS

1. The Convener advised that he had accepted onto the agenda as a matter of urgency in terms of Section 50B(4)(b) of the Local Government (Scotland) Act 1973 (1) agenda item 7.1 (Notice of Motion by Councillor Watson relating to RAAC) due to a meeting held last week which was after the submission deadline for Notices of Motion; and (2) agenda item 14.5 (35 Hour Week – Financing), in order for the Council and Trade Unions to progress the formal consultation and implement the agreed Heads of Terms without incurring additional expenditure, which would erode the savings for the Council.

The Convener advised that he was moving item 7.1 (Notice of Motion by Councillor Watson relating to RAAC) to the last public agenda item.

DETERMINATION OF EXEMPT BUSINESS

2. The Convener proposed that the Committee consider item 14.1 (North of Scotland Electric Vehicle Charging Infrastructure Partnership), item 14.2 (Disposal of Site 16 Lang Stracht), item 14.3 (Disposal of the Former Milltimber Primary School site, Monearn Gardens, Milltimber), item 14.4 (Disposal of the Former Hazlewood School), item 14.5 (35 Hour Week - Financing), item 15.1 (Victorian Schools Programme: Outline Business Case - Exempt Appendix) and item 15.2 (Work Plan and Business Cases - Exempt Appendices) with the press and public excluded from the meeting.

Councillor Malik, seconded by Councillor Watson, moved a procedural motion:-
that the Committee consider item 14.5 (35 Hour Week – Financing) in public.

On a division, there voted:- for the procedural motion (4) – Councillors Brooks, Farquhar, Malik and Watson; against the procedural motion (5) – the Convener, and Councillors Allard, Cooke, Greig and Henrickson.

The Committee resolved:-

- (i) to reject the procedural motion; and
- (ii) 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

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following paragraph of Schedule 7(A) to the Act:- articles 16, 21 and 22 (paragraph 8), articles 17, 18 and 19 (paragraph 9) and article 20 (paragraph 11).

DECLARATIONS OF INTEREST AND TRANSPARENCY STATEMENTS

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

- (1) The Convener advised that he had a connection in relation to agenda item 9.3 (Our Union Street) by virtue of him being a Council appointed observer to the Board of Our Union Street. Having applied the objective test, he did not consider that he had an interest and would not be withdrawing from the meeting;
- (2) Councillor Allard advised that he had a connection in relation to agenda item 14.5 (35 Hour Week - Financing) by virtue of him being a Council appointed member of the Convention of Scottish Local Authorities; agenda item 7.1 (Urgent Notice of Motion by Councillor Watson) by virtue of him being a member on Aberdeen City Region Deal Joint Committee; and agenda item 11.1 (Investment Zone – Joint Committee Terms of Reference and Standing Orders) by virtue of him being a member on Aberdeen City Region Deal Joint Committee and the Investment Zone Steering Group. Having applied the objective test, he did not consider that he had an interest and would not be withdrawing from the meeting;
- (3) Councillor Cooke declared an interest in item 14.4 (Disposal of the Former Hazlewood School), by virtue of him having a conflict of interest. He considered that the nature of his interest would require him to leave the meeting prior to consideration of the item;
- (4) Councillor Greig advised that he had a connection in relation to agenda item 9.2 (UK Shared Prosperity Fund 2025-26) 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;
- (5) Councillor Henrickson advised that he had a connection in relation to agenda item 9.1 (Council Financial Performance – Quarter 4, 2024/25) by virtue of him being an Aberdeen Football Club season ticket holder and DNA member and small shareholder. Having applied the objective test, he did not consider that he had an interest and would not be withdrawing from the meeting;
- (6) Councillor Henrickson declared an interest in item 9.2 (UK Shared Prosperity Fund 2025-26), by virtue of him being a Council appointed member of the Aberdeen Performing Arts Board and Aberdeen Science Centre. He considered that the nature of his interest would require him to leave the meeting prior to consideration of the item; and
- (7) Councillor Brooks declared an interest in item 14.2 (Disposal of Site 16 Lang Stracht, Aberdeen, AB15 6TU), by virtue of him being involved with a foodbank. He considered that the nature of his interest would require him to leave the meeting prior to consideration of the item.

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MINUTE OF PREVIOUS MEETING OF 26 MARCH 2025

4. The Committee had before it the minute of meeting of the Finance and Resources Committee of 16 March 2025.

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 (Ferryhill School Suitability Improvements: Full Business Case) and item 8 (Harlaw Academy Suitability Improvements: Outline Business Case); and
- (ii) to otherwise note the Committee Planner.

COUNCIL FINANCIAL PERFORMANCE – QUARTER 4, 2024/25 - CORS/25/096

6. The Committee had before it a report by the Executive Director of Corporate Services which provided the full year actual financial position of the Council against budget for the financial year 2024/25, including:-

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

The report recommended:-

that the Committee –

- (a) note the unaudited final outturn position for financial year 2024/25 as detailed in Appendix 1;
- (b) note the General Fund has recorded a balanced position on the operational budget for the year 2024/25. The uncommitted General Fund reserve remains in line with the approved Reserves Policy;
- (c) note that the Housing Revenue Account has recorded a deficit of £3.001m for the year, and this will have to be funded from the uncommitted HRA reserve. The uncommitted HRA reserve is below the recommended level;
- (d) note that the Common Good has recorded an operating surplus of £0.054m for the year, which is better than the approved use of cash reserves. After investment valuation changes are included, cash balances decreased by £0.451m but remain in line with recommended levels;

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- (e) approve the various transfers for 2024/25, between Council Reserves and earmarked sums for the General Fund, Housing Revenue Account, Common Good and Statutory Funds as of 31 March 2025, as detailed in Appendix 1;
- (f) approve the reprofiling of the 2025/26 – 2028/29 capital programmes as detailed in Appendix 1, page 13, to take account of the year end position and that the outcome of this is incorporated into the 2025/26 Quarter 1 reporting; and
- (g) note that the unaudited Annual Accounts for 2024/25 will be presented to Audit, Risk and Scrutiny Committee on 8 May 2025, including the Annual Governance Statement and Remuneration Report for the year.

The Convener seconded by Councillor Greig, moved:-

that the Committee –

- (1) approve the recommendations contained within the report;
- (2) agree to provisionally allocate £35k, from the Common Good Fund, to facilitate a parade and celebrations if Aberdeen FC win the 2024/25 Scottish Cup; and
- (3) wishes Aberdeen FC every success in the upcoming final on 24 May 2025 at Hampden Park.

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

that the Committee –

- (1) note and approves the recommendations contained within the report;
- (2) agree the report highlights the failures of the SNP when it comes to the Housing Revenue budget, record voids, record loss of income and record Council Tax being paid thanks to incompetency;
- (3) agree the report highlights the failures of the IJB to manage its budget properly and agrees the position adopted by Council is not sustainable in the medium to long term. Agree that the Chief Officer - Finance should issue a letter to the Chair of the IJB reminding him that an overspend of £17m is completely unacceptable in today's economic climate;
- (4) agree to provisionally allocate £35k, from the Common Good Fund, to facilitate a parade and celebrations if Aberdeen FC win the 2024/25 Scottish Cup; and
- (5) wishes Aberdeen FC every success in the upcoming final on 24 May 2025 at Hampden Park..

Councillor Brooks, seconded by Councillor Farquhar, moved as a further amendment:-

that the Committee –

- (1) approve recommendations (a) to (e) and (g);
- (2) following the Supreme Court ruling in April on the definition of a woman, instruct the Chief Officer - Finance to revise the reprofiling of the 2025/26 – 2028/29 capital programmes to take account of the expenditure required to provide single-sex spaces across the school estate and to follow the legal requirement to provide single-sex spaces across the Council estate portfolio; and agree that the outcome of this is incorporated into the 2025/26 Quarter 2 reporting;

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- (3) agree to provisionally allocate £35k, from the Common Good Fund, to facilitate a parade and celebrations if Aberdeen FC win the 2024/25 Scottish Cup; and
- (4) wishes Aberdeen FC every success in the upcoming final on 24 May 2025 at Hampden Park.

During the course of debate, Councillor Malik advised that he was willing to incorporate Councillor Brooks' amendment within his amendment and this was accepted by Councillor Brooks.

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

The Committee resolved:-

- (i) to adopt the motion; and
- (ii) that in relation to Common Good earmarked reserves pertaining to AWPR Drainage Issues for future issues, the Chief Officer – Finance would clarify what the funding was specifically earmarked for and determine whether it could be used in relation to the issues at Culter House Road and circulate details to the members of the Committee and Councillor Boulton in this regard.

At this juncture, in accordance with Article 3 of this minute, Councillor Henrickson left the meeting prior to consideration of the following item of business and Councillor Radley joined the meeting as his substitute.

TRANSPARENCY STATEMENT

During discussion of the following item, Councillor Radley advised that she had a connection by virtue of her being a Council appointed member of 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.

UK SHARED PROSPERITY FUND 2025/26 - CR&E/25/100

7. With reference to article 6 of the minute of the previous meeting of 26 March 2025, the Committee had before it a report by the Executive Director of City Regeneration and Environment which sought approval for the proposed allocation of grant funding from the UK Shared Prosperity Fund 2025-26.

The report recommended:-

that the Committee –

UKSPF Communities and Place

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- (a) approve the allocations for Communities and Place as detailed in Appendix 1; UKSPF Local Business Support
- (b) approve an allocation of £258,603 to Aberdeen City Council for the Aberdeen Energy Efficiency Programme; UKSPF 25-26
- (c) note that the total amount of £2,346,857 for UK Shared Prosperity has now been fully allocated should the above recommendations be approved;
- (d) authorise the Chief Officer – City Development and Regeneration to approve the reallocation of funding within previously approved projects should any underspends be reported; and
- (e) authorise the Chief Officer – City Development and Regeneration to approve funding for other projects (i.e. projects which have not been previously approved) up to a total of £30,000 per project should any underspends be reported.

The Convener, seconded by Councillor Greig, 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) agree recommendations (c) to (e) of the report;
- (2) note that the report only provides information in Appendix 3 for those applications that officers recommend for approval, rather than giving Elected Members the full information on all applications contained within Appendix 2 to allow Elected Members a greater opportunity to agree or disagree with officer's recommendations;
- (3) agree not to support the following applications: Aberdeen Performing Arts application for £48,895; Visit Aberdeenshire's application for £50,000; Sound Scotland's application for £24,000; Visit Aberdeenshire's application for £23,932.40; and amend the total amount awarded to the Aberdeen Energy Efficiency Programme to £239,059.40;
- (4) agree to support instead the two projects associated with Aberdeen Arts Centre – the Architectural Project at £111,997 and The Technical Upgrade Project at £54,374 – with a total of £166,371 which will deliver better outcomes for the citizens of Aberdeen, noting the report at 3.5 and at 4.5 which notes that "Following the Public Pound Policy is adhered to and relevant checks undertaken to ensure organisations are compliant"; and
- (5) subject to the foregoing, to approve the allocations for Communities and Place as detailed in Appendix 1.

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

The Committee resolved:-
to adopt the motion.

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OUR UNION STREET - CR&E/25/099

8. With reference to article 8 of the minute of meeting of 6 July 2023, the Committee had before it a report by the Executive Director of City Regeneration and Environment which provided an update on funding for Our Union Street and sought approval to allocate grant funding.

The report recommended:-

that the Committee -

- (a) note an additional allocation of £400,000 from Scottish Government to Aberdeen City Council specifically to support Our Union Street with delivery of City Centre Regeneration Activity;
- (b) approve payment of up to £400,000 to Union Street Partnership Ltd, trading under Our Union Street, upon submission and approval of a delivery plan which supports the Union Street Action Plan; and
- (c) delegate authority to the Chief Officer – City Development and Regeneration to review and approve the delivery plan in recommendation (b) and approve the provision of a grant to Union Street Partnership Ltd and the entering into a grant agreement following consultation with the Chief Officer – Finance, Chief Officer – Commercial & Procurement Services and the Convener and Vice Convener of Finance & Resources Committee.

The Convener, seconded by Councillor Greig, 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 and agree it is over 18 months since the former First Minister of Scotland, Humza Yousaf, announced the additional £400,000 allocation of monies to support the regeneration of Union Street;
- (2) note the Union Street Empty Shops Action Plan was approved by Council in December 2022;
- (3) welcomes ongoing efforts to reinvigorate Union Street by Our Union Street and its funding partners including Aberdeen Inspired, Opportunity North East, Shell and AGCC;
- (4) note the work done by officers to improve the transparency of UKSPF allocations which should be a benchmark for the Committee before it allocates monies to Our Union Street and recognises the importance of complying with Following the Public Pound and the need for full transparency when allocating public monies; and
- (5) therefore, instruct the Chief Officer - City Development & Regeneration to report back to the next Finance and Resources Committee, with details of Our Union Street's proposals and how they intend to spend the allocated £400,000 to make sure there are clear deliverables and strategic alignment

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with the Union Street Empty Shops Action Plan and due diligence before the payment is approved.

Councillor Brooks, seconded by Councillor Farquhar, moved as a further amendment:-
that the Committee –

- (1) approve recommendation (a);
- (2) agree that the delivery plan referred to in recommendation (b) be brought by the Chief Officer – City Development and Regeneration to the next Finance and Resources Committee for review and approval; and
- (3) approve the provision of a grant to Union Street Partnership Ltd and the entering into by the Chief Officer – City Development and Regeneration, following consultation with the Chief Officer – Finance and Chief Officer – Commercial & Procurement Services, of a grant agreement - provided that the Finance and Resources Committee first approve the said delivery plan.

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 Malik (2) – Councillors Malik and Watson; for the amendment by Councillor Brooks (2) – Councillors Brooks and Farquhar; declined to vote (5) – the Convener and Councillors Allard, Cooke, Greig and Henrickson.

As there was a tied vote, in terms of Standing Order 32.7, the Convener had the casting vote, however in terms of Standing Order 32.7.1, the Convener chose not to exercise his casting vote, therefore the Clerk advised that a lot would be drawn to decide the outcome of the tied vote. Following which, the amendment by Councillor Malik was successful and would be put to the vote against the motion.

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

The Committee resolved:-

to adopt the motion.

CLUSTER RISK REGISTERS AND ASSURANCE MAPS - CORS/25/093

9. The Committee had before it a report by the Executive Director of Corporate Services which presented the Cluster Risk Registers and Assurance Maps in accordance with the Finance and Resources Committee Terms of Reference to provide assurance that risks were being managed effectively within the Clusters detailed.

The report recommended:-

that the Committee note the Cluster Risk Registers and Assurance Maps set out in appendices A to O.

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The Committee resolved:-

to approve the recommendation.

INVESTMENT ZONE - JOINT COMMITTEE TERMS OF REFERENCE AND STANDING ORDERS - CR&E/25/097

10. With reference to article 15 of the minute of meeting of Council of 5 February 2025, the Committee had before it a report by the Executive Director of City Regeneration and Environment which sought approval of updated Terms of Reference and Standing Orders for the new North East Scotland Investment Zone Joint Committee and Programme Board following endorsement by the North East Scotland Investment Zone Steering Group.

The report recommended:-

that the Committee –

- (a) note the slightly amended Terms of Reference at Appendix 1 have been endorsed unanimously by the North East Scotland Investment Zone Steering Group;
- (b) approve the slightly amended North East Scotland Investment Zone Joint Committee Terms of Reference and Standing Orders in Appendix 1; and
- (c) agree that the North East Scotland Investment Zone Joint Committee will come into effect following submission of Gateway 5 (Delivery).

The Convener, seconded by Councillor Greig, 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;
- (2) agree that the proposed modifications are not minor in that the new Standing Orders propose a major modification change;
- (3) note that Non-Voting Representatives are not described within Standing Orders;
- (4) agree that allowing Non-Voting Representatives without limit on numbers is simply trying to circumvent the legislation under s57 Local Government (Scotland) Act 1973 as amended; and
- (5) agree that the legislation is clear that appointing non-voting representatives without classing them as members of the Committee would in our opinion breach section 57 of above said Act.

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

The Committee resolved:-

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to adopt the motion.

DENIS LAW COMMEMORATIVE PLAQUE - CR&E/25/110

11. The Committee had before it a report by the Executive Director of City Regeneration and Environment which sought consideration of an application from the Denis Law Legacy Trust to erect a plaque commemorating Denis Law.

The report recommended:-

that the Committee –

- (a) consider the application from the Denis Law Legacy Trust (Appendix 1) to erect a commemorative plaque at the birthplace of Denis Law; and
- (b) decide whether to approve or refuse the application for a plaque commemorating Denis Law.

The Committee resolved:-

to approve the application from the Denis Law Legacy Trust (Appendix 1) to erect a commemorative plaque at 6B Printfield Terrace, Aberdeen, the birthplace of Denis Law, subject to utilising the plaque wording set out in paragraph 3.7 of the report.

ST MACHAR ACADEMY GROUNDS IMPROVEMENTS: FULL BUSINESS CASE - F&C/25/104

12. With reference to article 9 of the minute of meeting of 8 May 2024, the Committee had before it a report by the Executive Director of Families and Communities which presented the full business case associated with the St Machar Academy Grounds Improvements project.

The report recommended:-

that the Committee note the attached full business case for the St Machar Academy Grounds Improvements project in Appendix A.

The Committee resolved:-

to approve the recommendation.

TRANSPARENCY STATEMENT

During consideration of the following item, Councillor Malik advised that he had a connection by virtue of him having grandchildren at the Victorian schools. Having applied the objective test, he did not consider that he had an interest and would not be withdrawing from the meeting.

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VICTORIAN SCHOOLS PROGRAMME: OUTLINE BUSINESS CASE - F&C/25/080

13. With reference to article 14 of the minute of meeting of the Education Operational Delivery Committee of 8 September 2022, the Committee had before it a report by the Executive Director of Families and Communities which presented the completed Outline Business Case for the proposed Victorian Schools Programme, detailing options and estimated costs and timescales for improving the suitability of the city's Victorian school buildings.

The report recommended:-

that the Committee –

- (a) note the preferred option(s) for taking forwards the Victorian Schools programme along with the associated costs all as detailed within the Outline Business Case at Appendix A of this report; and
- (b) note the decision of the Education and Children's Services Committee on 29 April 2025 to include the programme of work into the School Estate Plan and instruct the Chief Officer - Corporate Landlord to present the costs and programme of works for inclusion in the capital budget setting process for 2026/27.

The Convener, seconded by Councillor Greig, 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 Labour Amendment moved at the Education and Children's Services Committee on 29 April 2025; and
- (2) agree as Labour pointed out at the Education and Children's Services Committee, the SNP would be putting the cart before the horse by making a decision to approve a preferred option at this time without fully understanding its effect on the School Estate Plan and potential significant financial and practical implications for other vital projects contained within that Plan.

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

The Committee resolved:-

to adopt the motion.

ASSET TRANSFER REQUEST - LEASE OF GROUND IN WESTFIELD PARK - F&C/25/098

14. The Committee had before it a report by the Executive Director of Families and Communities which advised of an asset transfer request received from the Bridge of Don

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Skatepark Group for an area of ground that encompassed the site of the existing skatepark within Westfield Park.

The report recommended:-

that the Committee –

- (a) accept the asset transfer request received from the Bridge of Don Skatepark Development Group as outlined in section 3 of the report;
- (b) instruct the Chief Officer - Corporate Landlord to issue a decision letter accepting the request received for the Westfield Park Skate Park and adjacent ground, with any necessary terms and conditions included; and
- (c) instruct the Chief Officer – Governance to conclude missives for the lease of the ground within the Westfield Park incorporating various qualifications as are necessary to protect the Councils interests.

The Committee resolved:-

to approve the recommendations.

WORK PLAN AND BUSINESS CASES - CORS/25/094

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

The Procurement Business Case related to the following:-

- ELC Funded Provider Contracts;
- Electricity Meter Operator;
- Loft Insulation 25-28;
- Delivery of Spectra 2026-27; and
- Operations Hydrogen Refuelling Stations.

The report recommended:-

that the Committee –

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

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The Committee resolved:-

to approve the recommendations contained within the report.

At this juncture, the Convener advised that he was moving item 7.1 (Notice of Motion by Councillor Watson relating to RAAC) to the end of the agenda.

In accordance with the decision taken at Article 2 of this minute, the following items were considered with the press and public excluded.

NORTH OF SCOTLAND ELECTRIC VEHICLE CHARGING INFRASTRUCTURE PARTNERSHIP - CORS/25/065

16. With reference to article 12 of the minute of meeting of Council on 14 June 2023, the Committee had before it a report by the Executive Director of Corporate Services which (1) provided an overview of the strategic journey and procurement process undertaken to identify the preferred bidder for the provision of Electric Vehicle (EV) chargers and services; and (2) sought permission to conclude the procurement process and move forwards to award and implementation.

The report recommended:-

that the Committee –

- (a) approve the appointment of *{redacted as it contained exempt information as described in paragraph(s) 8 of Schedule 7A of the Local Government (Scotland) Act 1973}* as the preferred bidder for the North of Scotland EV Charging Infrastructure Partnership;
- (b) approve the formation of and entry into a Special Purpose Vehicle, Lead Authority Model in partnership with Aberdeenshire Council, Moray Council and The Highland Council, to deliver EV charging infrastructure, with The Highland Council as the Lead Authority, governed by a Joint Steering Board; authorise the Chief Officer – Strategic Place Planning, following consultation with the Chief Officer - Commercial and Procurement Services and the Chief Officer - Corporate Landlord, to undertake any other action that may be necessary or expedient in connection with this matter;
- (c) authorise the Chief Officer – Strategic Place Planning, following consultation with the Chief Officer - Commercial and Procurement Services and the Chief Officer - Corporate Landlord, to agree the contract award by The Highland Council to the preferred bidder following conclusion of the procurement process; and
- (d) authorise the Chief Officer – Strategic Place Planning, following consultation with the Chief Officer - Commercial and Procurement Services and the Chief Officer - Corporate Landlord, to agree that existing charging infrastructure may be included in the Special Purpose Vehicle.

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The Committee resolved:-

to approve the recommendations contained within the report.

At this juncture, in accordance with Article 3 of this minute, Councillor Brooks left the meeting prior to consideration of the following item of business.

DISPOSAL OF SITE 16 LANG STRACHT - F&C/25/102

17. With reference to article 22 of the minute of meeting of 7 August 2024, the Committee had before it a report by the Executive Director of Families and Communities which advised of the offers received for the former Aberdeen Journals, Site 16 Lang Stracht, Aberdeen following the outcome of the recent marketing exercise.

The report recommended:-

that the Committee –

- (a) instruct the Chief Officer - Corporate Landlord to advise the recommended offering party that they are the preferred bidder for site as outlined in Appendix 2; and
- (b) instruct the Chief Officer - Governance to conclude missives and complete the transaction for the disposal of the site, incorporating various qualifications as are necessary to protect the Council's interest.

The Committee resolved:-

- (i) to instruct the Chief Officer - Corporate Landlord to advise Lidl Great Britain Ltd that they are the preferred bidder for site, *{redacted as it contained exempt information as described in paragraph(s) 9 of Schedule 7A of the Local Government (Scotland) Act 1973}*; and
- (ii) to instruct the Chief Officer - Governance to conclude missives and complete the transaction for lease of the site, incorporating various qualifications as are necessary to protect the Council's interest.

DISPOSAL OF THE FORMER MILLTIMBER PRIMARY SCHOOL SITE, MONEARN GARDENS, MILLTIMBER - F&C/25/103

18. With reference to article 24 of the minute of meeting of 7 August 2024, the Committee had before it a report by the Executive Director of Families and Communities which advised of the offers received for the cleared site of the former Milltimber primary School at Monearn Gardens, Milltimber following the recent marketing exercise and subsequent competitive closing date.

The report recommended:-

that the Committee –

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- (a) instruct the Chief Officer - Corporate Landlord to advise the recommended offering party that they are the preferred bidder for site as outlined in Appendix 2; and
- (b) instruct the Chief Officer - Governance to conclude missives for the disposal of the site incorporating various qualifications as are necessary to protect the Council's interest, together with any other matters as required to complete the transaction.

The Convener, seconded by Councillor Greig, moved:-
that the Committee approve the recommendations contained within the report.

Councillor Malik, seconded by Councillor Watson, moved as an amendment:-
that the Committee agree not to sell the land to any bidder preferring to wait until the property market gets better which may be in months or 5 to 10 years-time.

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

The Committee resolved:-
to adopt the motion.

At this juncture, in accordance with Article 3 of this minute, Councillor Cooke left the meeting prior to consideration of the following item of business and Councillor Radley joined the meeting as his substitute.

DISPOSAL OF THE FORMER HAZLEWOOD SCHOOL - F&C/25/101

19. The Committee had before it a report by the Executive Director of Families and Communities which advised members of the offers received for the sale of the former Hazlewood School and Site, following the outcome of the recent marketing and disposal exercise.

The report recommended:-
that the Committee –

- (a) instruct the Chief Officer - Corporate Landlord to advise the recommended offering party that they are the preferred bidder for the property as outlined in Appendix 2; and
- (b) instruct the Chief Officer-Governance to conclude missives for the disposal of the site and building, incorporating various qualifications as are necessary to protect the Council's interest, together with any other matters required to complete the transaction.

The Convener, seconded by Councillor Greig, moved:-
that the Committee approve the recommendations contained within the report.

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

- (1) agree to reject all offers and remarket the site for 30 days, thereafter, only accept offers that comply fully with the selling instructions of the Council;
- (2) agree the proposed recommended offer does not fully comply with what the Council requested; and
- (3) agree there are far too many legal challenges happening at this time and the safest position which would not prejudice the Council to legal scrutiny is to remarket the property or take the offer that meets the best value test and has met the Council's instructions thus avoiding any potential legal challenge.

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

The Committee resolved:-

to adopt the motion.

TRANSPARENCY STATEMENT

During discussion of the following item, Councillor Watson advised that he had a connection by virtue of him being employed by UNISON. Having applied the objective test, he did not consider that he had an interest and would not be withdrawing from the meeting.

35 HOUR WEEK FINANCING - CORS/25/127

20. The Committee had before it a report by the Executive Director of Corporate Services which outlined the financial implications and sought approval for the funding mechanism that would facilitate a Collective Agreement being secured with Trade Unions regarding the implementation of a 35-hour working week.

The report recommended:-

that the Committee –

- (a) note that Heads of Terms have been agreed between management and the Trade Unions that incorporates a Buyout clause;
- (b) approve the hierarchy of funding sources to be used to fund the Buyout cost included in the Heads of Terms, see Section 4.7;
- (c) approve the use of the earmarked reserves to fund the Buyout up to the total cost over the two financial years, 2025/26 and 2026/27.

The Convener, seconded by Councillor Greig, moved:-

that the Committee approve the recommendations contained within the report.

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

- (1) agree the recommendations contained within the report;
- (2) agree that the SNP have at long last capitulated to Aberdeen Labour who said at the budget meeting and at the special council meeting on 2nd April 2025 that we could show the SNP how we would ensure money was available to stop Fire and Rehire;
- (3) agree to thank the Trade Unions for their endeavours in making this deal happen;
- (4) agree this is a complete embarrassment for the Convener of the Finance and Resources Committee and the Council Leader who proposed to take no action at the special Council meeting after requesting the removal of employees from the Chamber but keeping in the Lord Dean of Guild; and
- (5) agree that should the Trade Unions, following consultation with their members on this proposal, not be in a position to enter into a collective agreement, that the recommended funding envelope should be used in further discussions to ensure Fire and Rehire is no longer an option.

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

The Committee resolved:-

to adopt the motion.

VICTORIAN SCHOOLS PROGRAMME: OUTLINE BUSINESS CASE - EXEMPT APPENDIX

21. The Committee had before it an exempt appendix relating to the Victorian Schools Programme: Outline Business Case report. (Article 13 of this minute refers)

The Committee resolved:-

to note the information contained within the exempt appendix.

WORK PLAN AND BUSINESS CASES - EXEMPT APPENDICES

22. 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.

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The following item was considered in public.

URGENT NOTICE OF MOTION BY COUNCILLOR WATSON

23. The Committee had before it an urgent Notice of Motion by Councillor Watson in the following terms:-

that the Committee note the visit of Paul McLennan MSP to meet residents affected by RAAC on Friday 2 May 2025. At this he clarified that the Scottish Government had received no requests from Aberdeen City Council to provide funding to assist owner occupiers. It was also reported that the Aberdeen City Region Deal contains an unspent “£20million in infrastructure funding to unlock housing sites that are of strategic importance to the local authorities”. The scale of RAAC and the disaster facing its victims means that this is a strategic priority for Aberdeen City Council, and we instruct the Chief Officer – Housing, Chief Officer – Corporate Landlord and Chief Officer – Finance to report to the next meeting of the Finance and Resources Committee on any option(s) to utilise these funds.

Councillor Watson moved his motion and explained the rationale behind it and was seconded by Councillor Malik.

The Convener, seconded by Councillor Greig, moved as an amendment:-

that the Committee –

- (1) agree that Cllr Allard, Co-leader at Aberdeen City Council, moved a motion (25 October 2024) at CoSLA Leaders which was unanimously agreed, containing:-
 - “viii. *Recognised the concern surrounding Reinforced Autoclaved Aerated Concrete (RAAC) present in various council and former council housing stock alongside the significant financial implications to both local authorities and homeowners who had purchased a property previously owned by a local authority;*
 - ix. *Noted that the previous UK Government had committed to consider the approach to any RAAC funding in other public sector estates on a case-by-case basis; and*
 - x. *Agreed to CoSLA engaging with both UK and Scottish Governments on:*
 1. *The establishment of funding mechanisms that might be available to support housing providers in meeting costs to resolve the issue and that local authorities were best placed to administer such funds.; and*
 2. *That any establishment of a UK wide RAAC Fund support affected tenants as well as, homeowners who had purchased previously council owned properties affected by RAAC with associated costs, such as remedial works or a financial support package that would alleviate the financial devastation caused by RAAC, by, at*

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minimum, mitigating the gap between market value and any mortgage shortfall resulting from voluntary or compulsory purchase.”

- (2) agree that Aberdeen City Council adopts the above as its policy position with regards to RAAC funding, including but not limited to support for private owners;
- (3) instruct the Chief Executive to continue engagement with Scottish Government, UK Government, and CoSLA, to outline Aberdeen City Council's position with regards to RAAC funding and the need to establish a UK RAAC Fund for the purposes set out above;
- (4) instruct the Chief Executive to write to the Scottish Government, UK Government, and CoSLA, to outline the position of private owners due to the RAAC crisis and outline the need for the establishment of a UK RAAC Fund for the purposes set out above;
- (5) note the Scottish Government's Housing Minister, Paul McLennan MSP, met with residents in Torry whose properties are affected by Reinforced Autoclaved Aerated Concrete (RAAC) on Friday 2 May 2025. Further notes that the Housing Minister met with Co-leader, Councillor Christian Allard and Councillor Martin Greig at Marischal College with Council officials to discuss the impact of RAAC on Aberdeen City Council;
- (6) note that the Aberdeen City Region Deal contains a £20 million Housing Infrastructure Fund to unlock housing sites that are of strategic importance to the local authorities; and
- (7) instruct the Chief Officer – Corporate Landlord to consider the options and possibilities that may be available through the Housing Infrastructure Fund as part of the Balnagask Masterplanning exercise that has previously been instructed.

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

The Committee resolved:-

- (i) to adopt the amendment; and
 - (ii) to note that the Chief Officer – Corporate Landlord would circulate to members, Housing Infrastructure Fund guidance and information relating to UK Government funding requests.
- **COUNCILLOR ALEX MCLELLAN, Convener.**

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FINANCE AND RESOURCES COMMITTEE

ABERDEEN, 11 July 2025. Minute of Meeting of the FINANCE AND RESOURCES COMMITTEE. Present:- Councillor McLellan, Convener; and Councillor David Cameron, the Lord Provost (as substitute for Councillor Yuill, the Vice Convener) and Councillors Boulton (as substitute for Councillor Farquhar), Brooks, Cooke, Grant (as substitute for Councillor Watson), Greig, Henrickson (as substitute for Councillor Allard) and Tissera (as substitute for Councillor Malik).

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.

DECLARATIONS OF INTEREST AND TRANSPARENCY STATEMENTS

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

- (1) Councillor Greig advised that he had a connection in relation to agenda item 2.1 (Notice of Motion by Councillor Boulton - Castlegate Arts) by virtue of him being a Council appointed member to the Aberdeen Performing Arts Board and a Trustee of Great Western Community Trust. Having applied the objective test, he did not consider that he had an interest and would not be withdrawing from the meeting;
- (2) Councillor Henrickson advised that he had a connection in relation to agenda item 2.1 (Notice of Motion by Councillor Boulton - Castlegate Arts) by virtue of him being a Council appointed member to 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; and
- (3) Councillor Grant advised that he had a connection in relation to agenda item 2.1 (Notice of Motion by Councillor Boulton - Castlegate Arts) by virtue of him being an employee of Aberdeen Inspired. Having applied the objective test, he did not consider that he had an interest and would not be withdrawing from the meeting.

NOTICE OF MOTION BY COUNCILLOR BOULTON - CASTLEGATE ARTS - REFERRED FROM COUNCIL ON 2 JULY 2025

2. The Committee had before it an Urgent Notice of Motion by Councillor Boulton in the following terms:-

- (1) Instruct the Chief Officer - City Development and Regeneration to continue to provide support to Castlegate Arts to help them to achieve the cultural investment framework requirements and meet the Council's criteria for Following the Public Pound, and provide them with a monthly funding stream up to an annual amount in 2025/26 of £100k, to be taken from the General Fund Contingencies budget;
- (2) Note that an offer of a long-term lease remains available to Castlegate Arts on current terms;

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- (3) Instruct the Chief Officer - Corporate Landlord to instruct and update the building condition survey (previous version has been shared with Castlegate Arts) and make these costs available to Elected Members to assist budget setting process for 2026/27. The General Fund Contingencies budget will provide funding of up to £15k to secure any specialist or other works required in completing the survey work; and
- (4) Agree that the above measures are needed to ensure that the charity Castlegate Arts can continue its good work in the city for a wide range of our citizens.

Councillor Boulton moved her motion and explained the rationale behind it and was seconded by Councillor Brooks.

Councillor Grant, seconded by Councillor Tissera, moved as an amendment:-
that the Committee:-

- (1) Agree the Lord Provost determined that Councillor Boulton's notice of motion was urgent on 16th April 2025, the fact that it is being heard 86 days after it was deemed urgent confirms the contempt in which the SNP hold opposition members with and the contempt they hold Standing Orders too;
- (2) Agree the grassroots support from the Arts Community to save Aberdeen Arts Centre is simply overwhelming;
- (3) Agree the campaign to Save Aberdeen Arts Centre has already received backing from a host of famous faces including actors Laura Main, Amy Lennox and Brian Cox; Hollywood director Jon S Baird; magician Barry Jones; and virtuoso percussionist Dame Evelyn Glennie;
- (4) Agree Aberdeen Arts Centre is an independent arts venue, operated by a registered charity (Castlegate Arts Ltd) in the heart of Aberdeen. For over 60 years, it has played a crucial role in the north east's vibrant arts scene through its programme of performances, Creative Learning Programme for children and adults, and an Artist Development Programme to support local professional creatives;
- (5) Agree the SNP Administration has deliberately ignored requests from Castlegate Arts Ltd to help support it, despite previous administrations understanding the need to support the Arts in this city;
- (6) Notes that the Council agreed to provide £8,000 in rent from the Common Good fund to Castlegate Arts Ltd to cover the said rent for the Aberdeen Arts Centre, despite according to the Administration, that Castlegate Arts Ltd currently does not comply with following the public pound regulations; and
- (7) Agree to provide a grant of £100,000 for this year and the two subsequent budgets subject to Council budget approval to be taken this year from Contingencies budget and the following years from the Common Good Budget.

Councillor Greig, seconded by the Convener, moved as a further amendment:-
that the Committee:-

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- (1) Note the Liberal Democrat and SNP Partnership is committed to the long term future of the Arts Centre as a cultural venue in Aberdeen which is currently leased and operated by Castlegate Arts Ltd;
- (2) Note Castlegate Arts Ltd continue to not comply with the '*Code of Guidance On Funding External Bodies and Following the Public Pound*' published by the Accounts Commission and Convention of Scottish Local Authorities (CoSLA);
- (3) Note that Aberdeen City Council awarded £1.45 million to cultural organisations across the city through the Cultural Investment Framework 2025/26;
- (4) Note the Chief Officer - City Development and Regeneration, through the External Funding Teams, continues to provide support to any organisation interested in accessing funding;
- (5) Note the £8,000 annual rent of Aberdeen Arts Centre is currently funded by the Common Good Fund;
- (6) Instruct the Chief Officer – Corporate Landlord to continue to offer a new lease to Castlegate Arts reflecting the current lease conditions, for a term to be agreed; and
- (7) Note Aberdeen City Council has carried out initial works to the clock tower (which is excluded from the lease) funded through the Repairs and Maintenance budget;

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 Grant (4) – Councillors Boulton, Brooks, Grant and Tissera; for the amendment by Councillor Greig (5) – the Convener and Councillors Cooke, Greig, Henrickson and the Lord Provost.

Following which, the amendment by Councillor Greig was put to the vote against the motion by Councillor Boulton.

On a division, there voted:- for the motion by Councillor Boulton (4) – Councillors Boulton, Brooks, Grant and Tissera; for the amendment by Councillor Greig (5) – the Convener and Councillors Cooke, Greig, Henrickson and the Lord Provost.

The Committee resolved:-

- (i) to adopt the amendment by Councillor Greig; and
- (ii) to note that the Executive Director of City Regeneration and Environment would liaise with the Chief Officer – Corporate Landlord to circulate further details to members in relation to (1) the Council's lease arrangement with Castlegate Arts Ltd, specifically regarding repairs; and (2) the amount of grant funding community centres receive on an annual basis.

- **COUNCILLOR ALEXANDER MCLELLAN, Convener**

In terms of Standing Order 32.8, Councillors Boulton, Brooks, Grant and Tissera intimated their dissent against the foregoing decision.

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	A	B	C	D	E	F	G	H	I
1	FINANCE AND RESOURCES COMMITTEE BUSINESS PLANNER 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	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
3			06 August 2025						
4	Council Financial Performance – Quarter 1, 2025/26	to present the Council Financial Performance - Quarterly report to Committee for consideration		Lesley Fullerton	Finance	Corporate Services	1.1		
5	Work Plan & Business Cases	To seek approval of the estimated expenditure on the procurement business cases.		Mel Mackenzie	Commercial and Procurement	Corporate Services	1.1.5 1.1.6		
6	South College Street Phase 2 - Outline Business Case	The Net Zero, Environment and Transport Committee on 27/3/24 agreed to instruct the Chief Officer – Strategic Place Planning to seek external funding to allow the continued development of the option agreed in (ii), including the development of an Outline Business Case, and report the Outline Business Case to the Finance and Resources Committee once completed		Will Hekelaar	Strategic Place Planning	City Regeneration and Environment		R	the NZET Committee on 10/6/25 noted that no funding was available to progress this project at present, and agreed to its removal from the NZET Planner until such a time that funding is available to progress. Therefore it is also proposed that this project is removed from the F&R Planner until such a time that funding is available to progress this project
7	Development Plan Scheme 2025 (Annual Report)	To seek approval of the Development Plan Scheme (DPS). The Planning (Scotland) Act 2019 (the Act) requires all Councils to prepare a Development Plan Scheme annually.		Abigail Burrows	Strategic Place Planning	City Regeneration and Environment	3.3		
8	Performance Management Framework Report	To present Committee with the status of key operational performance measures and activity indicators relating to those Functions and Clusters within the remit of the Finance and Resources Committee		Alex Paterson	Data Insights	Corporate Services	2.1.3		

	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									
9	Bucksburn and Dyce Long Term Secondary School Provision: Outline Business Case	To seek approval of an outline business case for future secondary school provision for Bucksburn and Dyce, as detailed in the School Estate Plan	Report also considered by the E&CS Committee on 24/6/25	Andrew Jones	Corporate Landlord	Families and Communities	4.1	D	Following the instruction from ECS Committee on 24/06/25, for officers to engage with colleagues at Aberdeenshire Council to discuss proposed changes to catchment areas prior to any action being taken, there is no requirement for the Outline Business Case to be approved by the F&R Committee, until the outcomes of those discussions are known. Any recommendations following those discussions which require F&R Committee approval will be reported to the Committee at the appropriate time.
10	Wellington Road Junction Improvements – Progress Report	The NZET Committee on 12/11/24 agreed to instruct the Chief Officer - Capital and the Chief Officer Strategic Place Planning to investigate funding opportunities for the future development and implementation of the project and report an Outline Business Case and conclusion of Stage 3 Scheme Assessment to the Finance and Resources Committee in Autumn 2025		Ross Stevenson	Capital/Strategic Place Planning	City Regeneration and Environment		D	The appointment of technical advisors to undertake the DMRB Stage 3 is ongoing, currently not be in a position to report on the outcome of DMRB Stage 3 Scheme Assessment or prepare an Outline Business Case until the Spring of 2026.
11	Visitor Levy	the Committee on 12/2/25 agreed to 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.		Jamie Coventry	City Development and Regeneration	City Regeneration and Environment	2.1.2 3.2 3.4		
12	Ferryhill School Suitability Improvements	The F&R Committee on 8/5/24 agreed to instruct the Chief Officer - Corporate Landlord to report back to the Committee with a full business case, within the next 12 months	A combined Ferryhill School and Harlaw Academy Suitability Improvements report will be submitted	Colin Kemp	Capital	City Regeneration and Environment	1.1		

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	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									
13	Harlaw Academy Suitability Improvements	The Committee on 8/5/24 agreed to instruct the Chief Officer - Corporate Landlord to report back to the Committee with a full business case within the next 12 months.	A combined Ferryhill School and Harlaw Academy Suitability Improvements report will be submitted	Colin Kemp	Capital	City Regeneration and Environment	1.1		
14	Contributing to Your Care and Support (Adult Social Care (Non-Residential) Charging Policy 25-26	Updated non-residential charging policy reflecting impending transition to individual budgets		Sarah Gibbon	Aberdeen City Health & Social Care Partnership	Aberdeen City Health & Social Care Partnership	2.1.5		
15	Castlegate Public Realm	At the adjourned Council meeting of 4 May 2023, the Council noted that "Working in Partnership for Aberdeen" included the objective of making the Castlegate a gateway to our city's beachfront and instructed the Chief Officer - Strategic Place Planning to carry out consultation with key stakeholders on creating an active travel and public transport link through the Castlegate to deliver this objective as part of the Beach Connectivity Project and to report to a future Council meeting on this.	The F&R Committee on 7/8/24 agreed to Instruct the Chief Officer - Capital to develop the detailed and technical design for the Castlegate element of the City Centre Masterplan Streetscape programme and, following consultation with the Chief Officer – Commercial & Procurement Services, proceed with the negotiation and execution of contracts for delivery of the construction programme in line with the previously approved total project budget as detailed in paragraph 4.1, reporting progress through the Chief Officer – Capital's regular capital programme monitoring reports.	Sandy Beattie	Strategic Place Planning	City Regeneration & Environment	1.1		
16	Den Burn Restoration Project - Funding Update	The NZET Committee on 10/6/25 agreed to instruct the Chief Officer - Strategic Place Planning, following consultation with the Chief Officer - Finance and Chief Officer - Capital to explore funding options which may be available to support the project, and report the outcome to the Finance and Resources Committee on 6 August 2025.	Please note that this will be incorporated within the Council Financial Performance – Quarter 1, 2025/26 report	G McLean / S Cumming / A McKay / S Paterson	Strategic Place Planning	City Regeneration & Environment			
17	Beachfront Pedestrian Spine – Design Update	This report provides Committee with a progress update of the Design proposed for Beachfront Pedestrian Spine.		Craig Innes	Commercial and Procurement	Corporate Services & City Regeneration and Environment	1.1.17		
18	Opportunity to host the World Rally Championships in North East Scotland	To inform members of the opportunity for Aberdeen, Aberdeenshire and Moray local authorities to host the World Rally Championships (WRC) for three consecutive years and to seek approval to progress planning and engagement		Matthew Williams	City Development and Regeneration	City Regeneration & Environment	3.2		

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	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									
19			05 November 2025						
20	Council Financial Performance – Quarter 2, 2025/26	to present the Council Financial Performance - Quartely report to Committee for consideration		Lesley Fullerton	Finance	Corporate Services	1.1		
21	Work Plan & Business Cases	To seek approval of the estimated expenditure on the procurement business cases.	It may be the case that there are no Business Cases to consider and the report is withdrawn	Mel Mackenzie	Commercial and Procurement	Corporate Services	1.1.5 1.1.6		
22	Condition & Suitability 3 Year Programme (Annual Report)	This report seeks approval of an updated 3-year Condition and Suitability (C&S) Programme.		Andrew Jones	Corporate Landlord	Families and Communities	1.1.5, 1.1.8 4.1		
23	Fleet Replacement Programme (Annual Report)	To present the current position of the programme for Fleet Vehicles and Assets		John Weir/Derek Jamieson	Operations	City Regeneration and Environment	1.1.6		
24	Performance Management Framework Report	To present Committee with the status of key operational performance measures and activity indicators relating to those Functions and Clusters within the remit of the Finance and Resources Committee		Alex Paterson	Data Insights	Corporate Services	2.1.3		
25	Outline Business Case: Northfield Primary Schools Excess Capacity	To seek approval of an outline business case for reducing the number of primary schools in the Northfield ASG, as detailed in the School Estate Plan	The ECS Committee on 17/09/24 agreed to instruct the Chief Officer – Corporate Landlord to proceed with a review of all public building assets in Northfield, which will include an assessment of options for the future of the primary schools. it is anticipated that any required outline business case relating to the findings of this review will be presented to the Committee for approval on 29 October 2025	Andrew Jones	Corporate Landlord	Families and Communities	1.1.4		
26	Capital Programme Delivery:Projects Update	The purpose of this report is to summarise the general progress of delivery of key capital expenditure projects identified within the approved Capital Programme from the General Fund and Housing Revenue Accounts.		Alan McKay	Capital	City Regeneration and Environment	1.1		

	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									
27	Beachfront Shoreline Regeneration (Phase C) - Full Business Case	At its meeting of 8 February 2024, the Council, subject to the outcome of the budget process, instructed the Chief Officer - Commercial and Procurement to progress the Beachfront Shoreline Regeneration (Phase C) work to the completion of a Full Business Case (FBC) to Council, reporting back in October 2025 (on the short-medium interventions) and June 2026 (on the medium-long interventions).	Transferred from Council Planner on 11/12/24 - In line with the decision that officers would report future activity and updates on the City Centre and Beach Masterplan through the Finance and Resources Committee, it is recommended that this item be transferred to the Finance and Resources Committee.	Craig Innes	Commercial and Procurement	Corporate Services	1.1		
28	Medium Term Financial Strategy	The Council at its meeting on 5/3/25 agreed to instruct the Chief Officer - Finance to report to the Finance and Resource Committee with an updated Medium Term Financial Strategy no later than December 2025		Jonathan Belford	Finance	Corporate Services			
29	Beach Ballroom Investment Plan	The Council at its meeting on 5/3/25 agreed to note the importance of the Beach Ballroom, both to the heritage of Aberdeen and as a key cornerstone project in the wider City Centre and Beach Masterplans, and instruct the Chief Officer - City Development and Regeneration and Chief Officer - Commercial and Procurement to bring back an investment plan to the Finance and Resources Committee no later than December 2025, which maintains the cultural heritage of the building, but also ensures that the building meets modern standards, to allow it to become commercially viable		Craig Innes	Chief Officer - Commercial and Procurement	City Regeneration and Environment			
30	District Heating – Network Expansion / Waste Heat Utilisation (City Centre Link)	The Committee on 13/9/23 agreed to instruct the Head of Commercial and Procurement to explore external funding sources to support the capital delivery of this project and to report the outcomes of recommendations 2.1 and 2.2 to this Committee during Q3 2024	The Committee on 26/3/25 noted that a report was further delayed due to the complexity of the transmission pipeline route and the need for engagement with key external stakeholders. It is anticipated that the report will now be submitted in November 2025	Barry Davidson	Commercial and Procurement	Corporate Services	1.1.5		
31	Bus Lane Enforcement and Low Emission Zone Projects 2025/26 - Place Lighting and Guild Street Improvement projects	The NZET Committee on 10/6/25 agreed to instruct the Chief Officer – Strategic Place Planning, following consultation with the Chief Officer – Capital, to progress the Place Lighting and Guild Street Improvement projects listed in paragraph 3.2.1 of the report, and to bring detailed proposals to a meeting of the Finance and Resources Committee before the end of 2025 for consideration by Members prior to any works taking place		Claire McArthur/ Will Hekelaar	Strategic Place Planning	City Regeneration & Environment			
32	Annual Procurement Report	To present the Annual Procurement Report 2024-2025 to Council.		Mel Mackenzie	Commercial and Procurement	Corporate Services			
33			TBC						

	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									
34	School Estate Plan: Denominational Primary Schools	<p>To seek approval of an outline business case for considering future arrangements for denominational primary school provision, as detailed in the School Estate Plan.</p> <p>The ECS Committee on 20/02/24 agreed a revised programme for implementing projects within the School Estate Plan. The revised programme includes an updated timescale for the submission of an outline business case (should this be required) for the Denominational Schools options, which would be expected to be submitted to the Finance and Resources Committee for approval on 12/09/24.</p>	After considering a report on the denominational primary schools feasibility study, which was referred to it from the September ECS Committee, Council agreed on 02/10/24 to approve the recommendation in the report, which was to instruct the Chief Officer - Corporate Landlord to continue to monitor pupil numbers at the schools and to include recommendations in the 2025 School Estate Plan annual update report on any required actions to be taken. An update will therefore be provided to the Committee after the School Estate Plan update report has been considered by the ECS Committee in September 2025.	Andrew Jones	Corporate Landlord	Families and Communities	1.1.4		
35	Christmas Village Feedback Report (Annual Report)	The Committee on 26/3/25 agreed to instruct the Chief Officer – City Development and Regeneration to report back to the Finance and Resources Committee in March 2026 with the evaluation report of the 2025 event.	Due March 2026	Matthew Williams	City Development and Regeneration	City Regeneration and Environment	2.1 3.2		
36									

ABERDEEN CITY COUNCIL

COMMITTEE	Finance and Resources
DATE	6 August 2025
EXEMPT	No
CONFIDENTIAL	No
REPORT TITLE	Council Financial Performance – Quarter 1, 2025/26
REPORT NUMBER	CORS/25/181
DIRECTOR	Andy MacDonald
CHIEF OFFICER	Jonathan Belford
REPORT AUTHOR	Lesley Fullerton
TERMS OF REFERENCE	1.1

1. PURPOSE OF REPORT

- 1.1 To provide the financial position of the Council as at Quarter 1 (30 June 2025) and the full year forecast position for the financial year 2025/26, including:

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

2. RECOMMENDATION(S)

That the Committee :-

- 2.1 Note the cash position that has been achieved for the General Fund and HRA to the end of Quarter 1 as detailed in Appendix 1;
- 2.2 Note the Common Good financial performance to the end of Quarter 1 as detailed in Appendix 3;
- 2.3 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;
- 2.4 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 2025 the uncommitted value of those reserves was £12m, the minimum that the Council Reserves Statement recommends and as approved by the Council;
- 2.5 Approve inclusion of the Den Burn Restoration project in the General Fund Capital Programme as detailed in Appendix 5, with funding being provided from SEPA, additional Scottish Government Capital Grant (Climate Emergency) and

Bus Lane Enforcement money received, and instructs the Chief Officer – Capital to ensure the project is delivered;

- 2.6 Note that the HRA full year forecast position, as detailed in Appendix 2, is ‘on budget’, but continues to face challenging cost pressures as outlined in Appendix 2 and the HRA Budget Report 2025/26;
- 2.7 Note that the forecast for General Fund Capital budget has been updated to include approved in-year virements, carry forward commitments and a reprofiling exercise. General Fund and Housing Capital expenditure is currently forecast to be as per the revised profiles for 2025/26.

3. CURRENT SITUATION

- 3.1 The Local Government Finance Act 1992 provides that the Council must set its Council Tax amount by 11 March each year for the next financial year. The amount set must be sufficient to meet total estimated expenditure. This means that having taken account of expenditure, agreed savings and income from other sources, the level of Council Tax must ensure that a balanced budget is set by the Council. Aberdeen City Council set the Council Tax for 2025/26 on 5 March 2025 to ensure a balanced budget for year ahead, in accordance with its statutory duty.
- 3.2 This report focuses on both the financial performance for the year to 30 June 2025 and the forecast financial position for the full year for the Council’s General Fund, Housing Revenue Account and Common Good.
- 3.3 Across the General Fund and the Housing Revenue Account the impact of global, national, and local conditions is having local implications for the financial position, and the need to address ongoing cost pressures remains a feature of the Quarter 1 position and forecasts for the remainder of the year.
- 3.4 The consequence of factors such as a 3 year period of high inflation, increased borrowing rates (compared to the last ten years) is that capital investment is more expensive and the Council needs to consider the choices it makes, to fund increasingly expensive capital works or to fund increasingly expensive service delivery. For 2025/26 the estimated cost of repaying borrowing for the General fund is approximately £63.3m (capital and interest) and represents 9.6% of revenue funding (General Revenue Grant, Non-Domestic Rates & Council Tax income); while for the Housing Revenue Account it is approximately £24.6m and represents 21.3% of the housing rental income for the year.
- 3.5 Population changes in the city over the last few years have had implications for education and homelessness services in the city, pushing pupil numbers up in our schools and homelessness presentations. These pressures alongside rising costs for the Council looking after children in need are all areas of the budget that officers are focused on managing and minimising across the remainder of the financial year.

- 3.6 The appendices note that the IJB is managing a significant financial challenge for 2025/26. The IJB budget includes the assumption of additional funding from Partners, with £4.2m confirmed from the Council and a commitment of £6.7m from NHS Grampian. The approved balanced budget requires £14.3m of savings to be delivered, and there are plans in place to achieve these. The IJB will reach a balanced position at the end of the financial year if these savings are achieved. Expenditure and savings are being monitored on an ongoing basis. However as there are no Reserves now retained by the IJB, if the IJB does not achieve the savings by 31 March 2026, or if there are unplanned costs, such as from increased demand, then the Council (and NHS Grampian) will be required to fund a deficit position for the year to bring it back to a balanced position.
- 3.7 In Appendix 2 the challenges of balancing the General Fund budget across the year are explained in detail, however achieving a balanced position is not without a need for continued action. To mitigate this the Corporate Management Team have reiterated the need for increased scrutiny of all costs and continued controls put in place last year, including:
- Establishment Control Board (ECB) – oversight of staff numbers and staff costs including agency staff and overtime.
 - Demand Management Control Board - oversight of contractual spend, non-essential spend and authorisation and approval of procurement of goods and services.
- 3.8 The Council retains a contingency budget to address unexpected and unplanned expenditure, as well as costs that 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 Risk Board routinely reviews the risk registers, and the Chief Officer - Finance tracks the contingent liabilities, and these are included in Appendix 1. At the end of Quarter 1 the value of uncommitted contingencies for the year is £4m. This provides resilience against emerging risks such as winter maintenance, the cost of implementing the 35 hour working week, and an IJB deficit position for the financial year.
- 3.9 The Capital Programme budget has been adjusted to include slippage from 2024/25 and further approved virements, adjustments and reprofiling and is currently forecasting to be in line with budget for 2025/26. There remains considerable volatility in respect of capital expenditure, as has been seen in recent years, and this is therefore subject to increased scrutiny by officers.
- 3.10 The Housing Revenue Account (HRA) is forecasting an ‘on budget’ position, utilising reserves, in line with budgeted expectations however there is a risk that Repairs & Maintenance may over spend based on current demand, and the associated Housing Capital Programme is forecasting to be on budget. The use of reserves has meant a reduced cost to tenants, but did not address the underlying costs being experienced by the HRA. This reserve is necessary to ensure the HRA is financially resilient and can meet any unforeseen or exceptional circumstances for example inflationary pressures, or the emergence of new risks like RAAC. The impact of the recently implemented 35 hour working week will be included in the Quarter 2 report.

- 3.11 The 2025/26 HRA Budget approved at Council on 12 December 2024 a rent increase of 7.5% and a reduced level of spend on grounds maintenance, this was below the officer recommendation of 12% and continues to utilise reserves although at a reduced level of £792k. This means further changes to services may still be required to ensure the long term financial viability of the HRA.
- 3.12 Operationally the Common Good is expected to be slightly over budget. The investment of cash balances in a Multi-asset Income Fund has been put in place with Fidelity as the fund manager since 2021. This continues to deliver the level of income the Common Good was expecting, however the value of the underlying investment has fallen by £6.5m since outset. The investment remains a long-term financial instrument and performance should be measured over the medium term (5 years) rather than for any single year. Further work with Fidelity is planned in 2025/26 to review the investment.
- 3.13 Summary of Financial Statement Appendices

1. The financial statements reflect the income and expenditure of the General Fund and Housing accounts for the period to 30 June 2025 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 30 June 2025 is positive as the profile of income from Scottish Government supports expenditure levels.

The Balance Sheet figures at 30 June 2025 show an overall net worth of the Council of £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 2025 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 forecasts indicate that the General Fund will be on budget, subject to no financial shocks emerging and with instruction to budget managers to delay, reduce, stop expenditure where possible and ECB controls remaining tight. This aims to mitigate the risks however the use of earmarked reserves provides the assurance that the General Fund would have the in-year resilience to rely on. The Council will continue to manage cost pressures across the whole portfolio of services with all other revenue accounts expected to be on budget. Capital expenditure has been reprofiled to take account of the 2024/25 outturn position and latest information on the projects. The forecast expenditure, currently in line with the latest profiling, will be funded by a mixture of Scottish Government Capital Grants, contributions from other partners and borrowing.
3. This presents the Common Good position as at 30 June 2025 and provides an overview of performance.

4. This provides information on the Group Entities. Due to the timing of this report not all performance reports are available in relation to Quarter 1 and in the absence of Quarter 1 information the latest data has been provided where appropriate.

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:

Revenue	2025/26 Budget £'000	2025/26 Forecast (Surplus) / Deficit exc. Group £'000	Variance (Under) / Over Budget £'000
General Fund	0	0	0
HRA	0	0	0
Common Good	0	35	35

- 4.2 The capital position can be summarised as follows:

Capital	2025/26 Budget £'000	2025/26 Forecast Expenditure £'000	Variance (Under) / Over Budget £'000
General Fund	233,937	233,937	0
HRA	127,189	127,189	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 2025/26 financial position, including details of the movement between Reserves.
- 4.5 The usable reserves have moved as follows:

Usable Reserves	Balance at 31 March 2025 £'000	Balance at 30 June 2025 £'000	Movement £'000
General Fund	(93,071)	(183,988)	(90,917)
HRA	(10,889)	(8,889)	2,000
Statutory & Other	(49,647)	(48,940)	707
Total	(153,607)	(241,817)	(88,210)

- 4.6 The level of reserves is high at this stage in the year as 52% of the core grant funding has now been received. The Scottish Government front load General Revenue Grant payments, before adjusting for NDR income estimates. Further

adjustments will be made following the redeterminations advised by the Scottish Government, and this is paid in March 2026.

5. LEGAL IMPLICATIONS

- 5.1 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. ENVIRONMENTAL IMPLICATIONS

- 6.1 There are no direct environmental implications arising from the recommendations of this report.

7. RISK

- 7.1 The risks detailed within Appendix 2 are reflected across the Council's risk registers and are managed in accordance with the Council's risk management arrangements. The risks are mitigated and managed by the establishment of control actions in addition to existing control measures and activities to achieve a risk score that is consistent with the Council's risk appetite.
- 7.2 The assessment of risk contained within the table below is considered to be consistent with the Council's Risk Appetite Statement.

Category	Risks	Primary Controls/Control Actions to achieve Target Risk Level	*Target Risk Level (L, M or H) *taking into account controls/control actions	*Does Target Risk Level Match Appetite Set?
Strategic Risk	Failure to manage Council finance and resources could lead to failure to achieve strategic objectives.	Robust financial reporting and monitoring activities, combined with a rigorous financial planning process as part of the commissioning cycle prepare the Council for the years ahead. Financial resilience to address financial pressures arising in-year is maintained and monitored.	M	Yes
Compliance	There is the risk that the accounts do not comply	Annual external audits are undertaken to review the financial transactions and	L	Yes

	with legal and accounting legislation.	controls. Ongoing internal audits also review specific financial and service data.		
Operational	There is the risk that there may be an IT system failure.	Daily backups taken and held offsite for security purposes. Constant review and update of security systems for IT.	M	Yes
Financial	The main financial risk the Council is managing is the supply chain and inflation impact on costs.	Reviewing all areas of expenditure with a view to only incurring essential expenditure. Forecasts have taken account of known implications Regular reporting and action taken where appropriate.	M	Yes
	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.	Quantification and review of indicative projects costs by suitable qualified staff or external body, where appropriate. The Capital programmes were reset at the Council Budget meeting on 5 March 2025.	M	Yes
	The risk that workforce management options are not affordable in the future, such as the cost of the VS/ER scheme described in	Having approved the implementation of the fiscal flexibility for service concessions, this will provide a source that will enable the funding of VSER costs.	H	Yes

	Appendix 2 (page 2).			
Reputational	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.	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.	M	Yes
Environment / Climate	None identified			

8. OUTCOMES

<u>COUNCIL DELIVERY PLAN</u>	
	Impact of Report
Aberdeen City Council Policy Statement	The proposals in this report have no impact on the Council Delivery Plan
<u>Aberdeen City Local Outcome Improvement Plan</u>	
Prosperous Economy Stretch Outcomes	The proposals in the report have no impact on the Local Outcome Improvement Plan
Prosperous People Stretch Outcomes	The proposals in the report have no impact on the Local Outcome Improvement Plan
Prosperous Place Stretch Outcomes	The proposals in the report have no impact on the Local Outcome Improvement Plan
Regional and City Strategies	The proposals in this report have no impact on Regional and City Strategies

9. IMPACT ASSESSMENTS

Assessment	Outcome
Integrated Impact Assessment	It is confirmed by Chief Officer- Finance on 17 July 2025 that no Integrated Impact Assessment is required
Data Protection Impact Assessment	not required
Other	not required

10. BACKGROUND PAPERS

[Council Meeting , 5 March 2025](#)

11. APPENDICES

Appendix 1 – Financial Statement for the period ending 30 June 2025

Appendix 2 – Forecast Financial Position for the year 2025/26

Appendix 3 – Common Good Financial Statement for the period ending 30 June 2025

Appendix 4 – Group Entities Forecast Financial Position for the year 2025/26

Appendix 5 – Den Burn Restoration Project Funding Update 30 June 2025

12. REPORT AUTHOR CONTACT DETAILS

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**FINANCIAL STATEMENT
FOR THE PERIOD ENDING
30 JUNE 2025**

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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 3-month period to 30 June 2025.

Combined with Appendix 2, it also provides an insight into the expected financial performance for the financial year 2025/26, 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. Appendices 3 and 4 present the latest information in relation to the Common Good and Group entities.

Background

The Council must comply with a wide range of legislation and regulation in the course of its work. The rigour of being an issuer of Bonds on the London Stock Exchange (LSE) has placed an increased level of regulation around council finances. 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 on 18 October 2024 remaining with a rating of 'A2 with a stable outlook', which was a downgraded in October 2023 (from A1 with a negative outlook) of one 'notch'. This was the consequence of a review of the whole sub-sovereign sector on 25 October 2023, which had followed Moody's rating action on 20 October 2023 in respect of the UK Sovereign rating (Aa3, Stable outlook). The downgrade reflects Moody's view that, the fiscal flexibility of local authorities in both England and Scotland has materially deteriorated due to consistently high expenditure pressures and funding levels that do not keep pace with both cost inflation and demand. As substantial cuts have been implemented across the sector over the past decade, there is limited scope for further cuts without significant deterioration of services to a point that would be politically infeasible. At the same time, Moody's considers that more generous funding settlements for the sector are unlikely given the UK government's commitment to fiscal prudence. Consequently, Moody's anticipates that gross operating balances will decline over the medium term for most local authorities in the UK. The annual review meeting regarding the Council's credit rating last took place on 30th September 2024, with no changes made to the credit rating at that time. The date for the next annual meeting will be advised in due course.

The Council's independent external auditors, Audit Scotland, finalised the audit of the 2024/25 Annual Accounts, and these were signed on 1 July 2025, following approval at a meeting of the Urgent Business Committee on 26 June 2025. As shown in the final accounts the outturn position achieved as at 31 March 2025 was in line with forecasts, carrying forward a number of earmarked reserves. While the balance sheet was therefore underpinned by substantial Usable Reserves most of this is allocated toward supporting specific activities and hence the importance of in-year recurring funding that underpins core services.

As at 1 April 2025 the Council held Usable Reserves of £154 million and had a Net Asset Value of £1.3 billion.

The Council set its 2025/26 budgets on 5 March 2025, approving for the General Fund a range of budget savings options to set a balanced budget for the year. This included an increase in Council Tax of 9.85%, and continued service redesign, but fundamentally will rely on reducing staff costs, through voluntary processes – attrition and voluntary severance and early retirement opportunities. As part of the budget the Council allocated an additional £9.5m to help deliver social care,

Following an extensive consultation with the Council's recognised trade unions and individual consultation with staff on the proposal to reduce the standard working week for Aberdeen City Council, a collective agreement was reached in June 2025 between the Council and the joint trade unions to implement the change to contracts of employments for all in-scope employees with effect from 1 July 2025. Impacted staff will receive a 'buyout' payment split into 2 annual payments made in July 2025 and July 2026.

The General Fund budget takes account of a range of pay and price inflation pressures, in particular a provision for a pay award of 3%, which while broadly in line with other Councils in Scotland is considerably lower than the claims submitted by the Trade Unions. The pay award for 2025/26 (and 2026/27) has been agreed for non-teaching staff and will be paid in August, therefore updated as part of Quarter 2 reporting. The Scottish Government is providing additional funding to meet the additional 1% cost of pay in 2025/26.

Since the budget was approved the spectrum of difficulty that our financial environment continues to face has increased further. While the impact of the Covid pandemic is less obvious, citizen and customer behaviour continues to result in lower income levels than we would like. Global factors, including the Russian invasion of Ukraine, energy inflation, commodity availability and price inflation, alongside the rising cost of borrowing has caused and is sustaining a cost of living crisis for those who live, work and visit the city, as well as for the Council.

Whilst the rate of inflation (CPI) fell to 4.0% in May 2025 from 4.1% in April 2025, the situation remains critical as 3 years of high inflation (CPI has been above 2% since August 2021, peaking at 11.1% in October 2022) has reset the costs of supplies and services, fuel, and energy for good.

As a result of the turmoil in the financial markets over the past 2 years, there have been increases in the cost of government borrowing, with local authorities also seeing significant increases in borrowing rates through the PWLB than in previous years. Borrowing rates appear to have now peaked towards the end of last year. Rates have now started to fall below 5% as they return to more "normal" and expected levels. On the other hand cash balances are securing additional interest from short term investments and this is helping to offset a proportion of in-year costs.

The city is hosting many individuals and families and welcomes them to Aberdeen. From Ukraine, in particular, resettlement schemes have developed over the past two years with funding of a one-off nature that has been provided by UK and Scottish Governments. Our costs have risen particularly in providing education, and children and families services.

As the cost of new borrowing is rising and with inflation and construction inflation pushing up the cost of building assets, the Council must expect the future cost of capital investment to rise substantially for both the General Fund and the Housing Revenue Account. The revenue implications of bringing new assets into operation are not to be underestimated too.

The Housing Revenue Account budget was approved and at the Council meeting on 12 December 2024 there was a rent increase of 7.5% agreed.

Our Financial Performance: General Fund

Performance in Quarter 1

In March 2025, the Council set its General Fund and Housing Revenue Account (HRA) revenue and capital budgets for the financial year 2025/26. 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 from 1 April to 30 June 2025 presented in the format of our Annual Accounts on pages 7 to 14.

Staffing Costs:

As part of our 2025/26 budget it is recognised that our payroll bill needed to reduce. The levers to deliver this was mainly turnover and through our current Voluntary Severance and Early Retirement (VSER) policy. Importantly managers are supported to redesign services with a reduction of resources as well as looking at automation and process improvements to remove work.

To monitor this, an Establishment Control Board (ECB) oversees all recruitment and VSER requests and monitors the level of people leaving the Council (turnover) and people newly joining the Council (new starts). Through this monitoring it is evident that the turnover and new starts are almost balancing each other out meaning that we are not experiencing a reduction in our payroll. Furthermore, the number of staff seeking VSER, and subsequently being approved is less than was forecast or assumed in the budget.

Approved in the budget for 2024/25 and following an extensive consultation with the Council's recognised trade unions and individual consultation with staff, resulted in final proposals for reducing the standard working week for full time staff, a collective agreement was reached in June 2025 between the Council and the joint trade unions to implement the change to contracts of employments for all in-scope employees with effect from 1 July 2025. Impacted staff will receive a 'buyout' payment split into 2 annual payments made in July 2025 and 2026.

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.

i. Families & Communities

Although at 19% against the full year budget the service is forecasting a significant overspend for the full year. Pressure in respect of the cost of providing education to rising numbers of pupils and children's social work services, including Out of Authority placements (OOA) are being identified as ongoing challenges.

Downturn in the local economy and increased costs being experienced by families, is impacting on the needs of children and families. There is a notable rise in vulnerability and need, and this is increasing demand for more specialist services. As would be anticipated, there is a level of need apparent in those seeking sanctuary in the city.

It is exceptionally difficult to predict ongoing demand with any certainty. For example, hotels can be secured for asylum dispersal schemes at short notice with limited information about the age and stage of those being placed locally. Services continue to be proactive in their response.

The Homelessness loss of subsidy budget was increased for 25/26 based on demand levels during the 24/25 budget process and although demand is currently lower demand can be volatile therefore any underspend may decrease if there is an increase in demand.

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 individual leases. The level of collection for 2025/26, and therefore provision for bad debt, in the current market conditions, is under review. This is exacerbated by the energy and supply costs for commercial facilities, including the TECA energy centre and anaerobic digestion plant.

ii. City Regeneration & Environment

At 32% against the full year budget, the function's net expenditure for the year is above budget. The function has a budget where a significant proportion relates to capital projects therefore variances occur throughout the year depending on when project work is carried out and in addition some services have reported an under recovery of income.

iii. Corporate Services

At 24% against the full year budget, the function's net expenditure is on budget however forecasting an overall small overspend for the year. Across the function a number of services are showing small under/over spends at this stage of the year.

iv. Integration Joint Board (IJB) / Adult Social Care.

The function's net expenditure is 22% which is slightly lower than budget for 2025/26, and further detail on the forecast outturn is provided in Appendices 2 and 4.

v. 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, and when needed.

Contingencies are critical to the effective and resilient operation of the Council, risks over the winter months that might arise include weather events such as storms, flooding, and snow; pay negotiations – teacher's pay remains unresolved; the impact of inflation may be greater than forecast; and the crystallisation of contingent liabilities.

vi. Other Income and Expenditure

Includes interest payable and receivable, and income received through council tax, non-domestic rates and government grants.

Income from Non-Domestic Rates (NDR) is 76% of full year budget. As the Scottish Government hold the financial risk of NDR not delivering the total value across Scotland, a shortfall in cash against the amount has been guaranteed will be topped up at the end of the financial year. This is an adjustment to the Council's General Revenue Grant.

As at quarter 1 income from Council Tax is currently sitting at 64% of budget.

Income from Scottish Government is marginally above budget, which is due to the profiling of Grant and NDR across the year – the Council received £147m (52%) of the General Revenue Grant funding in the first quarter of the year. The Scottish Government front load General Revenue Grant payments, before adjusting for NDR income estimates. Further adjustments will be made following the redeterminations advised by the Scottish Government, and this is paid in March 2026.

Our Financial Performance: Housing Revenue Account

• Performance in Quarter 1

vii. Housing Revenue Account (HRA) responsible for the provision of council housing to over 23,000 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 over budget at Quarter 1 because there continues to be significant spending on Repairs and Maintenance this year due to the level of repair work being undertaken. The loss of income arising from voids continues to be a pressure although this is decreasing from 2024/25 this is still depriving the account of income. The rented housing market in Aberdeen remains competitive, offering more choice to prospective tenants. Tenant arrears remain a concern too, with the aged debt analysis showing that tenants are taking longer to pay their debts.

A Housing Board Bi-Annual Report was presented to Communities, Housing and Public Protection Committee on 21 November 2024, this included a change to the Minimum Letting Standard, the full impact of this change has yet to be felt as this was introduced in February 2025. The HRA expenditure continues to be challenging, as also occurred in 2024/25 and 2025/26. The HRA will continue to plan for the use of reserves in 2025/26. Changes that may be necessary include the frequency of services, the quality of services and the timing of services in order to support the financial viability of the Housing Revenue Account.

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 is provided in Appendix 2 to this report.

Conclusion

A balanced budget for 2025/26 is being forecast as at 30 June 2025. This has been achieved utilising contingencies to offset the variances in Services' spending that are highlighted above. These show the challenging financial environment that the Council is continuing to work in. Contingencies have been set aside in the event that unknown events may have to be paid for. These range from annual pay awards not yet agreed to severe winter conditions. The Quarter 1 results leave the Council with sufficient cash resource to fund expenditure.

There are risks of increasing demand for services that the Council has a duty to provide and there are a range of potential liabilities that the Council will have to respond to if circumstances change – these are described at the end of this Appendix in the Contingent Liabilities.

Evaluating the demand pressures it is clear that homelessness, out of authority placements for children and school rolls are the high risk areas for further spending and where management attention needs to be robust and proactive to mitigate costs that the Council cannot afford.

The HRA remains under significant pressure from repair and maintenance costs and also from lost income, and these areas are focus of attention from management.

The UJB continues to have financial risks from commissioning and direct payments, and work is being undertaken to address these matters.

During the remainder of the year the Council will continue to act to reduce spending to give greater certainty to our forecasts, shown in Appendix 2, while reviewing and assessing the changes that the local financial environment has brought about and will re-evaluate the position to ensure that expenditure and income is being monitored and managed as required, taking appropriate action when required. The next reporting period will be Quarter 2, which will be prepared for Finance & Resources Committee on 5 November 2025.

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
Balance at 31 March 2025 brought forward	(93,071)	(10,889)	(49,237)	(410)	(153,607)	(1,108,337)	(1,261,944)
Movement in Reserves during 2024/25							
Total Comprehensive Income & Expenditure	(97,516)	(10,331)	0	0	(107,847)	0	(107,847)
Adjustments between accounting basis & funding basis under regulations	(12,776)	17,453	0	(248)	4,428	(4,428)	0
Net (Increase)/Decrease before Transfers to Reserves	(110,292)	7,121	0	(248)	(103,419)	(4,428)	(107,847)
Transfers to/from Reserves	19,375	(5,122)	955	0	15,208	(15,208)	(0)
(Increase)/Decrease in Year	(90,917)	2,000	955	(248)	(88,211)	(19,637)	(107,847)
Balance at 30 June 2025	(183,988)	(8,889)	(48,282)	(658)	(241,818)	(1,127,974)	(1,369,791)

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 1 2025/26				
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	
City Regeneration & Environment	11,452	0	11,452	1
Corporate Services	10,736	0	10,736	2
Corporate	2,284	(39)	2,244	3
Integration Joint Board	31,162	0	31,162	4
Families & Communities	67,064	(16,215)	50,850	5
Net Cost of General Fund Services	122,699	(16,254)	106,445	
Housing Revenue Account	2,000	0	2,000	6
Net Cost of Services	124,699	(16,254)	108,445	
Other Income and Expenditure	(212,909)	(3,382)	(216,292)	7
(Surplus) or Deficit on Provision of Services	(88,211)	(19,637)	(107,847)	
Opening General Fund and HRA Balance at 31 March 2025	(103,960)			
(Surplus) or Deficit on General Fund and HRA Balance in Year	(88,211)			
To/From Other Statutory Reserves	(706)			
Closing General Fund and HRA Balance at 30 June 2025	(192,877)			

Notes

1. 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.
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. The £0.039m accounting adjustment relates to CFCR.
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. The £16.215m 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.
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 4 for information relating to Net Expenditure chargeable to the General Fund. The £3.382m adjustment comprises the following three elements, which realign costs from other parts of the budget:

- £6.258m 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.
- £5.303m that is the allocation of the Marischal Square finance lease interest.
- (£14.943)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 1, 2025/26			Notes
	Gross Expenditure	Gross Income	Net Expenditure	
	£'000	£'000	£'000	
City Regeneration & Environment	38,204	(26,752)	11,452	
Corporate Services	23,518	(12,782)	10,736	
Corporate	3,718	(1,473)	2,244	
Integration Joint Board	44,868	(13,706)	31,162	
Families & Communities	96,991	(46,141)	50,850	
Cost of General Fund Services	207,298	(100,854)	106,445	
Housing Revenue Account	29,357	(27,357)	2,000	
Cost of Services	236,656	(128,211)	108,445	
Other Operating Expenditure	0	0	0	1
Financing and Investment Income and Expenditure	11,560	0	11,560	2
Taxation and Non Specific Grant Income	0	(227,852)	(227,852)	3
(Surplus) or Deficit on Provision of Services	248,216	(356,063)	(107,847)	
(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			0	4
Other Comprehensive Income and Expenditure			0	
Total Comprehensive Income and Expenditure			(107,847)	

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 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.

The values as at 31 March 2025 are based on the Council's audited Annual Accounts 2024/25.

31 March 2025 £'000		30 June 2025 £'000	Note
2,727,110	Property, Plant & Equipment	2,770,909	1
32,013	Property, Plant & Equipment ROU	32,013	
208,982	Heritage Assets	208,982	1
86,203	Investment Property	86,203	1
45,200	Investment Property ROU	45,200	
12,029	Intangible Assets	12,030	
37,891	Long Term Investments	37,891	2
421	Long Term Debtors	406	3
3,149,849	Long Term Assets	3,193,635	
70,367	Cash and Cash Equivalents	98,720	4
52	Short Term Investments	0	5
181,768	Short Term Debtors	164,783	6
4,537	Inventories	23,221	7
6,592	Assets Held for Sale	6,592	8
263,316	Current Assets	293,316	
(439,352)	Short Term Borrowing	(432,893)	9
(175,371)	Short Term Creditors	(175,193)	10
(4,339)	Short Term Provisions	(4,119)	11
(4,179)	PPP Short Term Liabilities	(5,566)	12
(9,154)	Accumulated Absences Account	(9,154)	13
(3,563)	Grants Receipts in Advance - Revenue	0	14
(8,172)	Grants Receipts in Advance - Capital	(443)	14
(644,130)	Current Liabilities	(627,368)	
(1,267,190)	Long Term Borrowing	(1,255,779)	15
(59,284)	Finance Lease	(58,962)	16
(2,024)	Long Term Creditors	(2,024)	17
(1,245)	Long Term Provisions	(1,245)	11
(128,620)	PPP Long Term Liabilities	(123,054)	12
(48,728)	Pension Liabilities	(48,728)	18
(1,507,091)	Long Term Liabilities	(1,489,792)	
1,261,944	Net Assets	1,369,791	
	Usable Reserves:		
(93,071)	General Fund Balance	(183,988)	19
(10,889)	Housing Revenue Account	(8,889)	19
(49,237)	Statutory and Other Reserves	(48,282)	19
(410)	Capital Grants and Receipts Unapplied	(658)	19
(1,108,337)	Unusable Reserves	(1,127,974)	20
(1,261,944)	Total Reserves	(1,369,791)	

Balance Sheet Notes

1. Depreciation is calculated annually and therefore no depreciation has been applied in Quarter 1. Capital expenditure to the end of Quarter 1 totalling £43.800m has been applied to Property, Plant & Equipment (this includes £24.633m of general fund expenditure and £19.167m of HRA expenditure). Disposals, revaluations, and transfers have not been accounted for in Quarter 1.
2. Long Term Investments comprises the council's interest in Aberdeen Sports Village and Hydrogen Hub.
3. Long term debtors reflect the movement based on transactions for the period.
4. Cash and cash equivalents include short term investments of £42.903m (because they can be called up at short notice i.e. 0 to 35 days) and developer's contributions of £41.456m. 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 reflect the movement based on transactions for the period.
7. Inventories are adjusted at year end for inter-related account balances.
8. Assets held for sale reflect the position at March 2025. This 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. Public Private Partnership (PPP) short and long-term liabilities has been adjusted to reflect the projected position at March 2026.
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 1.
15. Long term borrowing reflects the current position based on transactions for the period.
16. Finance Lease reflects the closing position as at March 2026.
17. Long term creditors reflect 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.

Cash Flow

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

	Quarter 1 2025/26
	£'000
Net Surplus or (Deficit) on the provision of services	107,847
Adjust net surplus or deficit on the provision of services for non cash movements	418,601
Adjust for items included in the net surplus or deficit on the provision of services that are investing and financing activities	(14,943)
Net cash flows from Operating Activities	511,505
Net cash flows from Investing Activities	(43,800)
Net cash flows from Financing Activities	(439,352)
Net increase or decrease in cash and cash equivalents	28,354
Cash and cash equivalents at the beginning of the reporting period	70,367
Cash and cash equivalents at the end of the reporting period	98,721
Cash held by the Authority	0
Bank current accounts	98,720
	98,720

Contingent Liabilities

In addition to amounts recognised on the Balance Sheet, the Council is aware of the following contingent liabilities at 30 June 2025:

Guarantees

Sport Aberdeen

The Council agreed to provide a bank guarantee to Sport Aberdeen up to a maximum of £5 million as approved at the 7 June 2016 Finance, Policy and Resources Committee. There is currently a Revolving Credit Facility for £1.4 million 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 several such guarantees to organisations that include Aberdeen Sports Village, Sport Aberdeen, Aberdeen Performing Arts, 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 until April 2029.

The fire at Altens East Recycling and Resource Facility on 8 July 2022 has resulted in business continuity plans being implemented and changes made to the processing of some waste streams. There have therefore been a wide range of the implications arising from the events. There will remain contractual matters to be addressed that will

take time and the Council continues to work closely with the Contractor and representatives to determine the full extent and cost of these.

Energy from Waste - Decommissioning costs

The inter-authority agreement covering the EfW plant states that the parties will share any decommissioning costs not taken by the contractor at the end of the project in accordance with their project share percentages. The Council is currently seeking specialists to provide a valuation for these costs which will result in a future financial liability.

Energy from Waste – General

Due to an issue between EFW Ness Ltd and its operating sub-contractor, the Ness Energy from Waste Facility closed for a period following planned maintenance shutdown. This is a contractual matter and as such a number of colleagues across the Council are supporting the waste service to reach a resolution. Whether or not the Council will incur any liability in connection with this matter (and, if so, the extent of any such liability) is uncertain at this time.

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 possibility of liabilities arises in cases where the developer is not adhering to the agreed payment schedule and the Council elects to proceed with a project where that developer obligation funding is due. In these cases, unless a resolution can be found with the developer, the Council may be exposed to additional costs due to higher levels of borrowing than originally anticipated to “cashflow” a legally committed project. Costs could apply to the short, medium, or long-term depending on the circumstances.

The Council's Risk Board agreed that the Developer Obligations working group would escalate to Corporate Management Team any developers who fall behind on payments, and where necessary this will be reported to Finance & Resources Committee. This is a risk which may crystalize in the current housing market conditions due to high supply costs and reduced supply of labour.

The inherent risk with all developer obligation funded projects is whether the build rate of the development is triggering financial contributions at the rate required to fund the Council projects involved. Where the Council project advances more quickly than the development, the Council may have to step in to “cashflow” the necessary funding requirement. Where a project has not been legally committed, a failure to receive the supporting developer obligation funding may require a discussion to determine whether the project should be paused, or even stopped completely. Continued detailed

monitoring is therefore required by the Planning service to forecast expected build rates on developments and map out the timelines of expected trigger points for release of funding.

Impact of Covid on Working Practices, Global events and High inflation environment

All restrictions that were in place for the Covid-19 pandemic have now been lifted, and although the virus continues to circulate it no longer presents the health risk that previously existed. However, the consequences of the pandemic have been far reaching and recovery has been slow. The Council has prepared its 2025/26 budget to include taking cognisance of external environments, which could have an adverse impact on the price of commodities. There remains the possibility that further costs may arise that were not previously identified.

The emergence of Covid resulted in new working practice guidelines being issued by the Scottish Government, to set new standards to allow consultants, contractors, sub-contractors and their suppliers to work safely during the pandemic. These unforeseen changes resulted in the construction industry incurring additional costs for compliance with the risk of delays to projects. These measures also restricted numbers of staff on site which slowed down progress on works. These impacts have manifested in projects which were on site at the time of the initial lockdown, and discussions between the Council and the relevant contractors are on-going to determine liability for additional costs. It is noted that this impact is now constrained to a small number of large projects where the construction period extended over a number of years.

The Council are also aware that the construction industry is experiencing shortage of products, raw materials, staffing and logistical support which is impacting on current and future costs across the UK. Ordering lead times are extending across the sector with the risk of increased delay impacts to projects. Advance order of materials continues to be a project mitigation strategy where it can be applied.

There is evidence of a contraction in the construction industry particularly in terms of small to medium sized suppliers. The Russian invasion of Ukraine and resulting economic sanctions placed on Russia and Belarus has further exacerbated supply chain issues for some commodities e.g. bituminous materials, steel etc. which were sourced from eastern Europe. Now there is added risk of escalation in the Middle East due to the Palestine/Israel conflict.

Taken altogether, this had manifested as the highest level of cost inflation experienced for around 30 years, though there are signs the inflation rate was starting to stabilise by the summer of 2023 and has continued to do so. This volatility has created new risks around capital projects which continue to be present to the current day. A review of project timeline delivery and financial viability for programmes/projects is an ongoing task whereby any significant programme/project impacts continue to be updated through updates to the appropriate committee.

Now, more recently, there is the potential escalation of a global trade war. It is too early to determine what the impact will be, but if it should continue, the impact will be far reaching.

Reinforced Autoclaved Aerated Concrete (RAAC)

Following a published update regarding the risk of failure with Reinforced Autoclaved Aerated Concrete (RAAC) Planks, the Council initially carried out and completed its review of its public buildings where the presence of RAAC has been identified. RAAC was found in a small number of them, and mitigation is now in place.

Similarly, as reported previously a programme of work was conducted across the whole Council housing stock and this work is now complete. The outcome of this review across the whole housing stock has resulted in the identification of a housing type with RAAC, located to the south of the city in the Balnagask area.

The outcome of the above has been reported to Council and an options appraisal for the affected housing at Balnagask is now ongoing. This appraisal will consider mitigation options such as remedial works or demolition. At a meeting of Council on 21 August 2024, demolition followed by a rebuilding programme was approved as the preferred option. Communities, Housing and Public Protection Committee on 11 March 2025 approved the indicative demolition proposals and sequence of phasing, noting that only vacant terraces/blocks will be demolished. In addition, a further report went to Communities, Housing and Public Protection Committee on 27 May 2025 detailing the outcomes of the viability of the alternative options presented by the Torry RAAC Campaign Group Management Committee. The Committee instructed the Chief Officer – Corporate Landlord to write to all homeowners to advise them of the alternative options presented, and ask homeowners, having considered the information, to formally identify by the end of June 2025 which option they would be willing to consider. This will be reported back to Communities, Housing and Public Protection on 26 August 2025. The financial liability is both the General Fund and the Housing Revenue Account.

Scottish Child Abuse Inquiry

The Redress for Survivors (Historical Child Abuse in Care) (Scotland) Act 2021 opened on 8 December 2021 to provide financial and non-financial redress to survivors of historical child abuse in care in Scotland. Fair and meaningful financial contributions are made from organisations historically involved in the care of children. The local government contribution is made on the basis that payments are made to survivors who enter into a waiver which means that litigation cannot then be pursued as a separate matter. The scheme is delivered by Redress Scotland and the Scottish Government (SG). Following negotiation between the COSLA Resources Spokesperson and the now First Minister Mr Swinney MSP, in October 2021 Leaders agreed Local Authorities will contribute £100m to the cost of the Redress Scheme over a 10-year period.

Civil Litigation claims continue, both as lead authority to the former Grampian Regional Council and Aberdeen District Council as well as claims solely against Aberdeen City Council. Any uninsured claims or associated costs in respect of these require to be met by Aberdeen City Council. The costs of these are unquantifiable at this time but will give rise to a future financial liability.

Litigation against APSE (Association for Public Sector Excellence)

This Council is a member of APSE. Thurrock Council has raised a Court action against 23 member Councils seeking damages in respect of their reliance on APSE advice which they say led to significant losses. Whilst no Scottish Councils are involved in the Court Action there is a potential risk that all Members will become involved in the dispute with a potential liability per Council of up to £200,000. The court case against the 23 Councils has been stayed (suspended) pending the outcome of a separate case. This has withdrawn any immediacy of any litigation risk against other APSE members.

Litigation in connection with an Experimental Traffic Regulation Order

A statutory appeal has been raised against the Council in connection with an Experimental Traffic Regulation Order being made permanent. Having taken preliminary advice from Senior Counsel the Council is comfortable with its interpretation of the legislation, however if the Council is unsuccessful in defending the statutory appeal, repayment of fines seems a low likelihood, but this could have a high impact if required.



PROJECTED FINANCIAL POSITION FOR THE YEAR 2025/26

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MANAGEMENT COMMENTARY

This is the first reporting point in the year for the Council's finances, following approval of the budgets in December 2024 (Housing Revenue Account) and March 2025 (General Fund & Common Good). The full year budgets reflected in the table below differ from those set by Council for a number of reasons. This is normal practice during the year as virements are identified and budget responsibilities change.

At this stage of the year, the General Fund and Housing Revenue Account (HRA) are forecast to deliver in line with budgets set for 2025/26, but this will not be without continued effort and action, including the expectation that some savings will only be delivered later in year. The HRA budgeted for a deficit. A small overspend position is forecast for the Common Good.

The greatest uncertainty is the financial risk posed to the General Fund from the Aberdeen City IJB. As at 31st March 2025 the IJB reported a deficit and all available IJB reserves were set against that deficit. The remaining overspend was funded by contributions from its partners, NHS Grampian and the Council per the IJB Partnership agreement (Integration Scheme). The forecast outturn as at Quarter 1 is that the IJB will spend in line with budget for the year, if all savings are achieved. In the event that the savings are not achieved at 2025/26 year-end and the IJB has an overspend position, then the deficit will have to be met by the IJB partners. This means that the Council would have to contribute from the General Fund to bring the IJB back to a balanced position.

The Council will have to find this funding from within its own year-end position, where, for example, savings have been greater than forecast or a part of the in-year contingency remains unused. Ultimately Council Reserves will have to be used if there is no opportunity to cover this cost from the actual outturn 2025/26 General Fund Budget.

While inflationary pressures and higher interest rates have made our goods, services and debt more expensive to manage, as described in previous reports, demand has continued to be higher for our services this year, with attention being drawn to changes in our population, specifically rising school rolls, which have risen year on year in recent years. Similarly, increased homelessness presentations are also affecting our finances with significant levels of temporary accommodation being needed.

Funding does not adjust in-year and distribution of funding at the start of the year is dependent on the historic data which means at best there is a lag between rising population and funding, but with the core grant not increasing sufficiently to take account of rising demand or cost in the system then it is unlikely that any Council would argue that it receives sufficient funding to deliver the current level of services needed.

Managers are expected to be working to the essential spend message and for all means of saving money so that a balanced budget can be achieved at year end, there is an underlying commitment from Senior Management to pursue options to mitigate cost pressures and to work with the Chief Officer – Finance to ensure the overall agreed budget is adhered to, however this is increasingly difficult.

Appendix 1 provides the Income and Expenditure Statement and Balance Sheet of the Council as at 30 June 2025. The forecast for the year is built on the information that was available at this time.

For the full year, 2025/26, the General Fund is forecast to be on budget however it must be noted that there are continuing actions and processes in place to support managers to continue to reduce, stop or delay expenditure that they can, in the remainder of the financial year.

Payroll / Staff Costs:

As part of our 2025/26 budget it was recognised that our payroll bill needed to reduce.

As noted in Appendix 1, the Council has undergone an extensive consultation with the recognised trade unions and individual consultation with staff on the proposal to reduce the standard working week for full time Aberdeen City Council employees, a collective agreement was reached in June 2025 between the Council and the joint trade unions to implement the change to contracts of employments for all in-scope employees with effect from 1 July 2025. Impacted staff will receive a 'buyout' payment split into 2 annual payments made in July 2025 and 2026 – the funding of this was the subject of a separate report, Finance & Resources Committee, 7 May 2025. Further information will be provided in the Quarter 2 financial performance report.

The Council continues to pursue the reduction of the payroll bill through our current Voluntary Severance and Early Retirement (VSER) policy. Importantly managers are supported to redesign services with a reduction of resources as well as looking at automation and process improvements to remove work.

To monitor this, an Establishment Control Board (ECB) oversees all recruitment and VSER requests and monitors the level of people leaving the council (turnover) and people newly joining the council (new starts). Through this monitoring it has been evident that there is not a significant gap between leavers and new starts, however it is clearer in 2025/26 that the headcount of employees is reducing. The Council is still receiving VSER applications in small numbers and those that are approved are having an impact on achieving savings.

To assist the position the Establishment Control Board continues to maintain these key controls:

1. Robust Recruitment Freeze. This will mean that only essential posts are recruited to when a vacancy arises.
2. Agency Freeze. The use of agency workers should only be used for a short-term need, on average up to 13 weeks. The ECB has implemented tighter controls where all agency requests must be supported by the relevant Chief Officer and then passed to the ECB for consideration. People and Organisational Development (P&OD) continue to monitor previously approved agency contracts to seek assurance that the Council is only using agency for short term essential need.
3. Overtime Freeze. Overtime is currently approved at service manager level. Like 2. above, all future overtime requests now requires the support of Chief Officer. Overtime requests should only be used for emergency-type need where the resource requirement is not planned. Again, P&OD review current overtime usage and work with the business to ensure that it is being used effectively.

The pay award for 2025/26 has now been agreed nationally, and will be implemented in August 2025 backdated to April 2025. The 2-year agreement for non-teaching staff is a 4% increase for 2025/26 effective from 1 April 2025, and a 3.5% increase for 2026/27 from 1 April 2026. This will be implemented in August 2025 payroll. Pay negotiations between COSLA and Craft and SNCT bargaining groups remain ongoing.

With the pay award for non-teaching staff having been agreed at 4% for 2025/26 this is greater than the Council 2025/26 budget assumption of 3%. The cost of the additional 1% will be met by additional funding from Scottish Government. A share of this additional funding will be allocated to the IJB to meet the costs that they will face in 2025/26.

The commitment from Scottish Government is that this will be recurring for Local Government funding from 2026/27 onwards, but Councils will have to fund 3% of the 3.5% pay rise for

2026/27. For the Council this means that the Medium Term Financial Strategy assumption on pay will have to be revised up for 2026/27 as this had originally been set at 2%.

Essential Spend:

The Council has been operating in an environment of restricting discretionary spend for many years. This has been communicated to 'requisitioners' and 'approvers' at all levels within the organisation. Due to the continued uncertainty of the fiscal environment and the recognition of new service demand entering our system, further controls were implemented to effectively manage non-essential spend and control additional spending resulting from unplanned demand.

To enable the Council to work towards achieving delivery of a balanced budget by 31 March 2026 the provisions are essential and necessary, in the face of the significance of the uncertainty arising from current known situational awareness and the continuing financial risks that exist.

General Fund

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

The high costs of gas and electric continues to affect all Council services to some degree. These forecasts are included in the table below.

As stated above, across the whole of the Council the planned reduction in the number of posts that are affordable is being managed through voluntary and natural turnover processes. The full value of the staff savings is still forecast to be below budget at this time however actions noted above continue to be implemented to continue to influence the full year position. Other savings are supporting balancing the budget, to counteract the situation, however the Council is relying on some of the revenue contingency budget not being required to help finance the cost pressures currently forecast.

Based on the forecasts for the year key highlights are as follows:-

1. The main areas of pressure within Families & Communities are:
 - Higher than budgeted spend on external fostering, spend continues to increase due to contract uplifts and increased number of placements.
 - Looking at demand, downturn in the local economy and increased costs being experienced by families, is impacting on the needs of children and families. There is a notable rise in vulnerability and need and this is increasing demand for more specialist services. As would be anticipated, there is a level of need apparent in those seeking sanctuary in the city.
 - It is exceptionally difficult to predict ongoing Homeless demand with any certainty. Hotels can be secured for asylum dispersal schemes at short notice with limited information about the age and stage of those being placed locally. Services continue to be proactive in their response.
 - Commercial property trading account income has been revised to reflect current conditions, this will continue to be monitored closely. This includes the additional costs of energy for corporate facilities and, also the Energy Centre and AD Plant at The Events Complex Aberdeen, and related contracts.
 - In Building Services there is a risk that the level of capital works will not increase with the focus being on void properties and response repair and maintenance, then the budgeted surplus may not be achieved this year.
 - Facilities are experiencing significant staff overspend mainly in the cleaning service.
 - Asset management are at risk of experiencing a significant cost pressure on repairs & maintenance.

For Education, the service is managing a continuing increase in the school rolls. This is driven by several factors: - the post-Covid increase of international students from other countries to the two Universities, who are bringing their families with them - there is evidence that this is now levelling off, the number of children (and families) in the city seeking refuge and the cost-of-living crisis meaning more parents are not opting for a private education.

- There is a risk that Early Years will not achieve the budgeted income from Cross Boundary Charging as the difference in the number of children between local authority areas is not as significant as anticipated.

2. The main areas of pressure within City Regeneration & Environment are:

- The business continuity insurance for the fire at Altens East has now ceased – which had offered cost mitigation to the Council for a period of 18 months. The impact on the service and the potential costs for the Altens East Transfer Station are now reflected in forecasts.
- Fleet utilisation may not reduce, the fleet replacement programme with new technology could see vehicle maintenance costs increase rather than decrease.
- Roads are forecasting a significant overspend based on last year's activity and will be monitored closely through the year.

3. The main area of pressure within Corporate Services is:

- Protective Services will be unable to achieve income targets.

4. The main areas of financial risk within Integrated Joint Board (IJB) services are:

- There is a risk that the commissioned services & direct client payment budgets might not be sufficient to cover any agreed contract uplifts.
- There is a risk that income from clients' care packages may not be received in full.
- The numbers of direct payments to clients may rise. However, as demand for care services remains high, there is a risk that this situation could deteriorate.
- There is a risk that the number of new clients requiring care, and meeting current care criteria levels, exceeds the financial capacity.

The Council approved an additional sum of £4.2m for 2025/26 financial year, with NHS Grampian committed to £6.7m. This meant that the IJB was able to reduce the value and volume of savings that it was going to have to achieve to balance the 2025/26 budget.

A programme of savings for 2025/26 was therefore put in place by the IJB (£14.3m) and these must be achieved for the IJB to reach a balanced budget position at 31 March 2026. Early indications are that this will be achieved.

Any overspend at the end of the 2025/26 financial year will mean the Council (and NHS Grampian) will have to fund a portion of the deficit. Action continues to be taken to ensure only necessary expenditure is undertaken, and that savings are being made where possible.

5. 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.

As highlighted above, and in Appendix 1, the financial turmoil in recent years has only exacerbated the rising cost of borrowing. The cost of capital investment will rise from previous forecasts due to the current economic environment, with borrowing rates up at levels last seen a decade ago, the enduring effects of a 3 year period of high inflation – above Government and Bank of England targets – and supply chain volatility.

The bad debt provision budget sits within Miscellaneous Services and is under regular review.

6. The corporate saving for a reduced teaching workforce is captured in the “Corporate Budgets”. The full value of the staff savings is forecast to be below budget.

Other corporate contingencies, for pay and for inflation on contracts have been reviewed, which has offered opportunities for savings. Further work will be undertaken on these provisions to align costs and the availability of recurring budgets.

Contingencies also holds the in-year revenue contingency for the General Fund and the forecast includes the use of some of that contingency in the remainder of the year – uncommitted contingencies amount to c.£4 m for the year. This provides ongoing resilience against emerging risks such as winter maintenance and a possible deficit for the IJB for 2025/26. That does not stop future unplanned events taking place or from implications arising from the risk registers and, where identified, contingent liabilities becoming more certain (see Appendix 1). It means at this stage that the Council relies on the strength of its balance sheet to address future unknown costs.

7. Council Expenses include the budgets for all councillors’ costs, including salaries and expenses. These are forecast to be on budget.
8. The Joint Boards budget and forecast outturn is based on the amount requisitioned by Grampian Valuation Joint Board, the Board is on budget as at Quarter 1 2025/26.
9. 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 forecast amount receivable by the Council is in line with Government distribution information.
10. The General Revenue Grant is set by the Scottish Government as part of its funding support package for Local Government. This is regularly updated to account for the redeterminations that are allocated to Local Government after the approval of the Scottish Budget. Funding for these allocations is paid to Councils in March.
11. Council Tax income is forecast to be on budget for 2025/26 based on collection levels in 2024/25.
12. Use of Reserves. The Council approved in its 2025/26 budget that a sum of £3.124 m will be used from the annual Service Concession flexibility transaction and other earmarked General Fund reserves to fund the budget.

Housing Revenue Account

13. The HRA budget in 2025/26 has a balanced budget, using £0.792m of HRA reserves, it is currently estimated to stay within budget in the short term, although this is not likely to be financial sustainability as there are several areas of pressure. There is a potential risk that

there will be an over spend in repairs and maintenance from the cost of materials, voids, and staff costs, this will be further analysed and reviewed during quarter 2.

Earmarked Reserves

As at 1 April 2025 the Council held c.£84m of earmarked reserves across the General Fund and HRA and expenditure is estimated to be incurred over a period of years.

Expenditure in relation to the delivery of other specific projects, funded by the earmarked reserves is not included in the figures in the tables above, the expenditure being set against the finite reserves held at the start of the year. As an example, the Council expects to continue to incur expenditure from the Transformation Fund in 2025/26 progressing the digital programme of transformation.

The other significant earmarked reserves to draw attention to at this time are the Refugee Funding (£16.644 m) to support the work and activities we deliver for through the dispersal and resettlement schemes; and the Joint Venture (ASV) Revaluation Surplus (£15.173m), which is not cash backed and reflects the increased value of the Council shares in the Sports Village following asset revaluation.

Also notable is the Second & Long-term Empty Properties (Affordable Housing) reserve (£4.528m), which is underpinned by legislation. Expenditure in 2025/26 will depend on the progress with a number of developments including Craighill, and the amount of Scottish Government funding and Section 75 income (developers' contributions) to be used as this funding is time limited, these funds support the delivery of additional social housing by the Council.

The earmarked Resilience fund, including former Covid-19 Grants (£4.855m) is for general support to Council services, income shortfalls and historically education services, and may be called upon to support the additional funding needed by the IJB to balance the financial position for 2025/26.

Balancing the Budget through Controls and Monitoring Structures

Drawing attention again to the points made in the introduction about Payroll/Staff Costs and Essential spend controls, specific actions that will continue, to manage spending and work towards reducing the operating deficit include:

- Further instruction to all budget holders to reduce, stop or delay expenditure wherever possible to reduce the outturn position.
- Ongoing review and analysis of the national dispersal and resettlement programmes on council budgets.
- Ongoing review and scrutiny of the out of authority placements for children by the Chief Officer – Integrated Children's Services.
- 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.
- Monitoring and management of council long-term debt in light of the agreed policy and capital spend forecasts for 2025/26.
- The voluntary severance / early retirement scheme (VSER) is how the Council has incentivised workforce reductions. The scheme has been recently promoted to staff in order to further reduce the ongoing cost of staff and to support the affordability of the Council's budget going forward. This is an expensive scheme, funding must be found and accounted for up front from revenue resources. The Council approved the use of the Service Concession earmarked sum as a source of funding for VSER.

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 Demand Management Control Board captures the commissioning and procurement intentions for revenue expenditure as they arise and provides an environment for demand-based challenge – this is chaired by the Executive Director for Corporate Services.

Similarly, 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 – this is chaired by the Chief Officer for Capital.

The Performance Board has oversight of the performance reporting, this is chaired by the Executive Director of Families & Communities and brings together the emerging and escalated issues from overall Council performance and agrees actions. The Corporate Management Team has oversight of the Council's financial performance.

Balancing the Budget through the monitoring and control of risks.

Risks are reviewed on a regular basis at a strategic level by the Risk Board on a monthly basis and at an operational level by Chief officers and their teams daily.

The emerging risks from demand and costs and the challenge to balance the budget should be having an impact on those operational risk registers and the Corporate Management Team expect, where appropriate, that these risks are escalated to the Corporate Risk Register, along with the potential impacts and means of mitigation.

The spectrum of difficulty that has been described as widening signals that risks are going to change and that the likelihood and impact of those risk are going to rise. The Council should be expecting to see this and to be asked to take appropriate action to mitigate them as they are identified.

The main risks to the Council are now the cost of living crisis, the rise in the number of people in the city through resettlement and refugee schemes and studying in the city from abroad. Also, the lasting impact of recent high inflation levels and extremely high increases experienced in the cost of energy supplies remain significant risks as these will continue to have a substantial impact on Council services.

It is predicted that the increased cost of supplies and services in the trades may be a significant risk in areas such as Building Services and Roads.

Contingent Liabilities are noted to capture potential liabilities which could result in costs being incurred in the future. As part of the budget process, contingent liabilities are reviewed and described within the budget pack presented to Council. 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 at the end of Quarter 1, the Council has positive cashflow for services, and the forecast for the overall position of the General Fund is a balanced budget, with key actions continuing as described to reduce the payroll/staff costs across the Council and also the cost of our supplies and services during the remainder of this year. Any deficit that emerges later in the year, the Council will have to rely on unused contingencies and the availability of funding from the Balance Sheet in the form of earmarked reserves.

Ongoing demand in the areas of looked after children and homelessness, as well as the higher risk of a contribution being needed to support the Aberdeen City IJB, and the fact that pay negotiations that are not yet been finalised for teaching staff means there is continuing risk to the Council finances therefore while there is no certainty of the final costs, the Council will remain on essential spending only status, so there will be no further money to fund anything further.

The Housing Revenue Account is expected to be on budget, and expenditure will require the approved use of reserves to balance the HRA account. Higher costs are being experienced due to the cost of repairs and maintenance, staff costs, and voids, and work is being carried out to mitigate this.

These positions are captured in the tables set out below.

General Fund Financial Reporting Summary 2025/2026 - Quarter 1

As at 30 June 2025	Budget 2025/2026	Outturn 2025/2026 Quarter 1	Variance from Budget		Notes
	£'000	£'000	£'000	%	
Families & Communities	345,438	353,597	8,158	2.4	1
City Regeneration & Environm	35,677	41,265	5,588	15.7	2
Corporate Services	45,788	45,864	76	0.2	3
Integrated Joint Board	140,461	140,461	0	0.0	4
Total Functions Budget	567,364	581,187	13,822	18.2	
Miscellaneous Services	72,905	70,741	(2,164)	(3.6)	5
Contingencies	20,027	8,368	(11,658)	(58.2)	6
Council Expenses	1,812	1,812	0	0.0	7
Joint Boards	2,043	2,043	0	0.0	8
Total Corporate Budgets	96,786	82,964	(13,822)	(14.7)	
Non Domestic Rates	(200,361)	(200,361)	0	0.0	9
General Revenue Grant	(306,025)	(306,025)	0	0.0	10
Government Support	(506,387)	(506,387)	0	0.0	
Council Tax	(154,640)	(154,640)	0	0.0	11
Local Taxation	(154,640)	(154,640)	0	0.0	
Contribution from Reserves	(3,124)	(3,124)	0	0.0	12
Contribution from Reserves	(3,124)	(3,124)	0	0.0	
Deficit/(Surplus)	(0)	0	0	0.0	

Housing Revenue Account Summary 2025/2026 - Quarter 1

Deficit/(Surplus)	0	0	0	0	13
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General Fund Capital Programme

As at Quarter 1 2025/26	2025/26					
	Original Approved Budget	Adjustments & Carry Forwards	Reprofiling of Capital Programme	Revised Budget for Year	Actual Expenditure for Year	Forecast Outturn
	£'000	£'000	£'000	£'000	£'000	£'000
AECC Programme Board	2,853	(106)	0	2,747	8	2,747
Asset Management Programme Board	63,711	15,747	(25,107)	54,351	7,076	54,351
Asset Management Programme Board Rolling Programmes	27,604	1,518	1,761	30,883	5,333	30,883
City Centre Programme Board	84,668	13,527	(8,000)	90,195	8,534	90,195
Energy & Climate Programme Board	14,510	9,705	(4,376)	19,839	1,462	19,839
Housing and Communities Programme Board	4,329	(39)	(1,700)	2,590	269	2,590
Housing and Communities Programme Board Rolling Programmes	650	111	0	761	138	761
Transportation Programme Board	13,040	2,870	(3,440)	12,470	433	12,470
Transportation Programme Board Rolling Programmes	1,000	0	0	1,000	0	1,000
Strategic Asset & Capital Plan Board	19,148	2,071	(4,520)	16,699	935	16,699
Strategic Asset & Capital Plan Board Rolling Programmes	3,450	(1,048)	0	2,402	264	2,402
Developer Obligation Projects & Asset Disposals	0	0	0	0	175	0
Total Expenditure	234,963	44,356	(45,382)	233,937	24,627	233,937
Capital Funding:						
Income for Specific Projects	(18,387)	(26,077)	20,269	(24,195)	(7,406)	(24,195)
Developer Contributions	0	0	0	0	6	0
Capital Grant	(21,047)	(1,821)	0	(22,868)	(5,717)	(22,868)
Other Income e.g. Borrowing	(195,529)	(16,458)	25,113	(186,874)	(11,510)	(186,874)
Total Income	(234,963)	(44,356)	45,382	(233,937)	(24,628)	(233,937)
	0	0	0	0	(0)	0

The Capital Programme was approved as part of the 2025/26 budget, 5 March 2025. Following a review of actual expenditure for 2024/25, the plans for each of the projects included in the programme have been reviewed and carry forward amounts for each have been calculated to ensure delivery of full project as appropriate. In addition, and in light of the lower than expected spending experienced in 2024/25, the project spend has been reprofiling for some of the project budgets.

The reprofiled values are the best estimate available at the end of Quarter 1 therefore the forecast has been set at the same values. Forecasting of outturns will be subject to continued scrutiny remains challenging given the wide range of factors continuing to affect construction supply chains, whether that's inflation, availability of workforce, availability of products and goods, plant and equipment. The forecast outturns do represent a point in time and there is a likelihood they will be subject to change as the financial year progresses and additional information becomes available.

During the quarter £350k was vired from Contingency to the Bucksburn Swimming Pool project to fund the final element of project costs and avoided any further delays to the project programme. A full business case was presented to the Capital Board in July.

Expenditure for Quarter 1 2025/26 includes continued construction works related to the New Schools programme, with significant spending on the new Tillydrone School to progress its opening on 9 May 2025, and the shared mortuary at Foresterhill that is almost at completion. The Boulevard section of the City Centre Masterplan is now being progressed with the Beachfront works currently on hold.

Housing Capital Programme

Spend is low on in Quarter 1 on areas such as kitchens, bathrooms and windows due to low tenant engagement, this will be worked on in the coming months. Community Plan and Local Outcome Improvement Plan is showing a high level of spend to date due to the level of buy backs of former council houses in the system.

The assumption at Quarter 1 is that budgeted expenditure will be achieved in 2025/26, this will be updated following a review during Quarter 2.

Housing Capital Programmes	Approved Budget	Expenditure to date	Forecast Expenditure
As at 30 June 25	£'000	£'000	£'000
Compliant with the tolerable standard	8,744	940	8,744
Free from Serious Disrepair	26,427	2,712	26,427
Energy Efficient	11,588	1,628	11,588
Modern Facilities & Services	20,619	1,469	20,619
Healthy, Safe and Secure	5,393	767	5,393
<i>Non Scottish Housing Quality Standards</i>			
Community Plan and Local Outcome Improvement Plan	4,230	3,072	4,230
Service Expenditure	8,954	113	8,954
2000 New Homes Programme	50,868	8,465	50,868
less 11% slippage	(9,634)	-	(9,634)
Net Programme	127,189	19,167	127,189

Capital Funding			
Borrowing	(122,189)	(17,204)	(109,610)
Other Income - Grants Affordable Homes e	(5,000)	(1,963)	(17,579)
Capital Funded from Current Revenue	0	0	0
Total	(127,189)	(19,167)	(127,189)

Prudential Indicators

The Prudential Code For Capital Finance in Local Authorities – 2023/24 to 2029/30

From 1 April 2004, Councils are required by Regulation to have regard to the Prudential Code (the Code) when carrying out their duties under Part 7 of the Local Government in Scotland Act 2003.

In setting the revenue and capital budgets, members will be aware that under the Prudential Code, the level of capital investment is determined locally. Therefore, these indicators will be reviewed on an ongoing basis to ensure that the Council does not breach the indicators it sets.

The key objectives of the Code are to ensure: -

- The Council's capital programmes are affordable, prudent and sustainable.
- Treasury management decisions are taken in accordance with good professional practice.

The Code also has the objectives of being consistent with and supporting local strategic planning, local asset management planning and proper option appraisal.

In setting the indicators, cognisance should be paid to the level of capital investment looking ahead for a five-year period, for both the housing and non-housing capital programmes that the Council wishes to embark upon. The Code also requires that the underlying requirement to finance PPP projects and finance leases be included when setting the indicators.

The Code requires the following Prudential Indicators to be set for the Council:

	Capital Expenditure						
	2023/24 £'000 Actual	2024/25 £'000 Actual	2025/26 £'000 Estimate	2026/27 £'000 Estimate	2027/28 £'000 Estimate	2028/29 £'000 Estimate	2029/30 £'000 Estimate
Gen Fund	112,343	143,893	276,766	203,998	126,131	83,079	63,578
HRA	119,903	115,079	129,649	67,699	79,266	119,385	173,898

	Ratio of Financing Costs to Net Revenue Stream						
	2023/24 Actual	2024/25 Actual	2025/26 Estimate	2026/27 Estimate	2027/28 Estimate	2028/29 Estimate	2029/30 Estimate
Gen Fund	8.2%	7.3%	9.1%	10.3%	11.2%	11.8%	11.9%
HRA	15.9%	17.6%	21.7%	22.3%	22.7%	22.6%	21.9%

	Capital Financing Requirement						
	2023/24 £'000 Actual	2024/25 £'000 Actual	2025/26 £'000 Estimate	2026/27 £'000 Estimate	2027/28 £'000 Estimate	2028/29 £'000 Estimate	2029/30 £'000 Estimate
Gen Fund	1,249,775	1,328,694	1,549,177	1,700,083	1,775,432	1,809,885	1,819,414
HRA	454,531	553,880	674,020	730,491	795,348	898,616	1,055,079
Total	1,704,306	1,882,574	2,223,197	2,403,574	2,570,780	2,708,501	2,874,493

	Gross Borrowing						
	2023/24 £'000 Actual	2024/25 £'000 Actual	2025/26 £'000 Estimate	2026/27 £'000 Estimate	2027/28 £'000 Estimate	2028/29 £'000 Estimate	2029/30 £'000 Estimate
Borrowing	1,564,185	1,747,194	2,091,058	2,304,520	2,451,335	2,595,938	2,768,886

The Prudential Code states:

“In order to ensure that over the medium term net borrowing will only be for a capital purpose, the local authority should ensure that net external borrowing does not, except in the short term, exceed the total of the capital financing requirement in the preceding year plus the estimates of any additional capital financing requirement for the current and next two financial years.”

The Chief Officer - Finance reports that the Council can meet this requirement in 2025/26, and it is expected to do so for the future years, as outlined, taking into account current commitments, existing plans, and the assumptions in this report.

	Authorised Limit for External Debt					
	2024/25 £'000	2025/26 £'000	2026/27 £'000	2027/28 £'000	2028/29 £'000	2029/30 £'000
Operational Boundary	1,919,604	2,260,227	2,467,604	2,607,810	2,745,531	2,911,597
10% Margin	191,960	226,023	246,760	260,781	274,553	291,160
Total	2,111,564	2,486,250	2,714,364	2,868,591	3,020,084	3,202,757

	Operational Boundary for External Debt					
	2024/25 £'000	2025/26 £'000	2026/27 £'000	2027/28 £'000	2028/29 £'000	2029/30 £'000
Borrowing	1,747,194	2,091,058	2,304,520	2,451,335	2,595,938	2,768,886
Other Long-Term Liabilities	172,410	169,169	163,084	156,475	149,593	142,711
Total	1,919,604	2,260,227	2,467,604	2,607,810	2,745,531	2,911,597

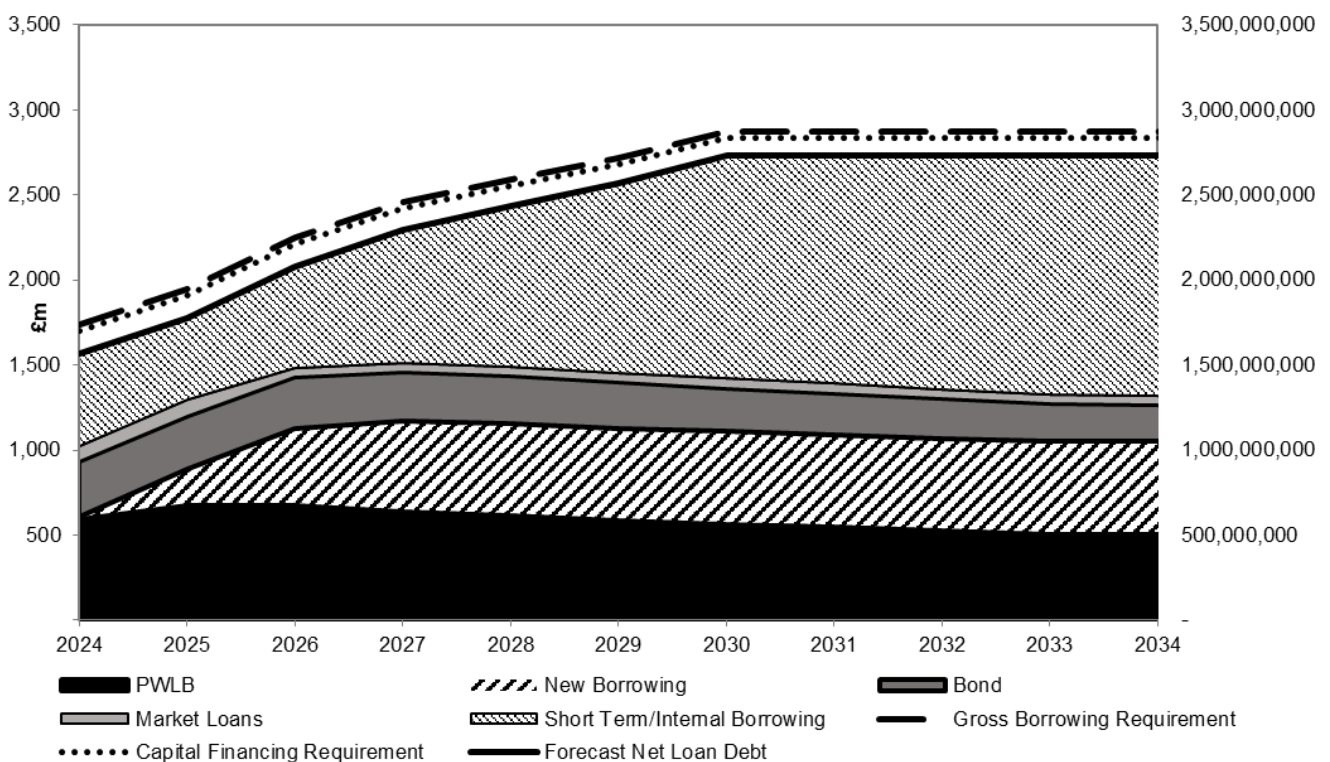
The latest version of the Prudential Code for Capital Finance in Local Authorities introduced a new indicator – the Ratio of Net Income from Commercial and Service Investments to Net Revenue Stream.

The Code defines Commercial Investments as investments taken or held primarily for financial return and not linked to treasury management activity and Service Investments as those directly involved in the delivery of a service, for example, loans to leisure providers, loans to trusts providing services, a shareholding in a shared service vehicle, and investments in local companies for regeneration.

As the Council has no investments that fall into these categories, there is no requirement to report this indicator.

The latest version of the CIPFA Treasury Management in the Public Services code requires the reporting of an additional treasury management indicator known as the Liability Benchmark.

The liability benchmark (shown below) is a comparison of existing borrowing levels against future capital financing requirements from both committed and planned future borrowing over the next ten years.



Common Good

As at 30 June 2025	Full Year Budget 2025/26 £'000	Actual Forecast Expenditure £'000	Variance from Budget £'000
Recurring Expenditure	5,223	5,223	0
Recurring Income	(5,370)	(5,370)	0
Budget after Recurring Items	(147)	(147)	0
Non Recurring Expenditure	147	182	35
Non Recurring Income	0	0	0
Net (Income)/Expenditure	0	35	35
Cash balances as at 1 April 2025	(44,607)	(44,607)	
Net Expenditure from Income & Expenditure	0	35	35
Investment Revaluation (Increase)/Decrease	0	(75)	(75)
Net Capital Receipt	0	0	0
Cash Balances as at 31 March 2026	(44,607)	(44,647)	(40)

Notes

- Operationally the Common Good is forecast to be over budget by £35k as at 30 June 2025.
- This is due to the costs of Aberdeen Football Club parade which had not been allocated a specific budget.
- The investment of cash balances in a multi-asset income fund, approved by Council on 10 March 2021 has now been implemented. The value of the investment may fall as well as increase, this will be reported quarterly. As at 30 June 2025 the value of the investments was £23.514m, an increase in the quarter of £0.075m. Cash balances will be affected by this change as will the overall Net Value of the Common Good.
- The investment with Fidelity remains a long-term investment and should be measured over a 3 to 5 year period.
- Income levels expect to be maintained and the budgeted income achieved.

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**COMMON GOOD
FINANCIAL STATEMENT
FOR THE PERIOD ENDING
30 JUNE 2025**

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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 cash balances usually being held on deposit with other local authorities, building societies and the Council's Loans Fund.

Following the decision of Council to seek alternative investment opportunities for the cash balances, an investment of up to £30m has been placed in a Multi-Asset Income Fund with Fidelity. Returns on this investment are now reported on a quarterly basis in Appendix 2.

Movement in Reserves Statement

	Common Good Fund £'000	Reserves Fund £'000	Total Common Good £'000
Balance at 31 March 2025	(107,923)	(68)	(107,991)
Movement in Reserves during 2025/26			0
(Surplus) or Deficit on provision of services	(341)	0	(341)
(Surplus) or Deficit on revaluation of investment property	(74)	0	(74)
Total Comprehensive Expenditure and Income	(415)	0	(415)
Balance at 30 June 2025	(108,337)	(68)	(108,405)

Comprehensive Income and Expenditure Statement

	Quarter 1 2025/26			Notes
	Gross Expenditure £'000	Gross Income £'000	Net (Income) Expenditure £'000	
Grants & Contributions to External Organisations	382		382	
External Organisations Rents	28		28	
Promoting Aberdeen	7		7	
Grants/Services Provided by Aberdeen City Council	392		392	
Civic Service Funding	201	0	201	
Duthie Park HLF	0		0	
Specific Projects	54	0	54	
Earmarked Reserves	0		0	
Cost Of Services	1,064	0	1,064	1
Sales Income			(7)	2
Cost of Sales			0	2
Other Operating Income/Expenditure			(7)	
Financing and Investment Income and Expenditure			(1,398)	3
(Surplus) or Deficit on Provision of Services			(341)	
(Surplus) or Deficit on revaluation of investment property			(74)	4
Total Comprehensive Income and Expenditure			(415)	

Notes

1. This includes project expenditure to 30 June 2025.
2. This reflects any gains or losses on the disposal of assets during the year.
3. This reflects income receivable from investments and land and properties net of associated expenditure.
4. This figure represents the increase in value of the long term investment. The revaluation of investment property will be undertaken in Quarter 4.

Balance Sheet

31 March 2025 £'000		30 June 2025 £'000	Notes
23,440	Long Term Investments	23,515	1
61,632	Investment Property	61,632	1
85,072	Long Term Assets	85,147	
2,862	Finance Leases	2,862	2
2,862	Long Term Debtors	2,862	
18,916	Investments in Aberdeen City Council Loans Fund	19,683	3
1,750	Investment Property Held for Sale	1,750	4
453	Short Term Debtors	125	5
21,119	Current Assets	21,558	
(1,062)	Short Term Creditors	(1,162)	6
(1,062)	Current Liabilities	(1,162)	
107,991	Net Assets	108,405	
(107,923)	Common Good Fund	(108,337)	7
(68)	Reserve Fund	(68)	7
(107,991)	Total Reserves	(108,405)	

Notes

1. This represents the long term investments as at 30 June 2025. 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 30 June 2025.
3. Will be reviewed and updated accordingly in Quarter 4.
4. Based on transactions to 30 June 2025.
5. Based on transactions to 30 June 2025.
6. Reflects the accounting value of the funds, based on transactions to 30 June 2025.

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**GROUP ENTITIES
PROJECTED FINANCIAL
POSITION FOR THE YEAR 2025/26**

Aberdeen City Council holds a financial interest in a number of Subsidiaries, Associates and Joint Ventures. The most significant of these, in terms of size of trading operations and other factors, 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 2025/26	ACC Control	ACC Commitment to meet accumulated deficits	Annual Turnover
	%	%	£m
Subsidiaries			
Common Good	100	100	5
Trust Funds	100	100	0
Sport Aberdeen Limited	100	100	15
Bon Accord Care Limited	100	100	27
Bon Accord Support Services Limited	100	100	35
Aberdeen Heat and Power	100	100	7
Joint Ventures			
Aberdeen Sports Village Limited	50	50	6
BP Aberdeen Hydrogen Energy Ltd	50	50	
Aberdeen City Integration Joint Board	50	50	444
Associates			
Grampian Valuation Joint Board	39	39	6

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

For the Financial Year 2025/26	Reporting Date	Surplus/(deficit) attributable to the Council at Reporting date £'000	Forecast Surplus/(Deficit) £'000	Comment
Subsidiaries				
Common Good	30.06.25	341	40	
Trust Funds	31.03.25	142	-	Full year forecast not available at Q1
Sport Aberdeen Limited	30.06.25	98	-	Forecasting a break even position in Q1
Bon Accord Care Limited and Bon Accord Support Services Ltd	30.06.25	369	26	
Aberdeen Heat and Power Ltd	30.06.25	27	208	
Joint Ventures				
Aberdeen Sports Village Limited	31.05.25	(492)	-	Full year forecast not available at Q1
BP Aberdeen Hydrogen Energy Ltd	30.06.25	(64)	-	Full year forecast not available at Q1
Aberdeen City Integration Joint Board	30.06.25	0	0	Forecasting a break even position in Q1
Associates				
Grampian Valuation Joint Board	30.06.25	114	0	

The notes below summarise the latest 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 showing an operational surplus at the end of Quarter 1 of £341k, and a projected deficit of £35k for the financial year. The financial statements for the quarter are 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, and the upkeep of public works. The money earned from the investments of the Trusts is used to provide grants and awards to trust beneficiaries, prizes and dux medals for school children and requisites for clients in Social Work homes.

At the end of March 2025, the Trusts reported a net surplus of £142k.

The Trusts are not expected to have a material impact on the Council's financial position for 2024/25.

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 30th June 2025 show net surplus of £98k. Sport Aberdeen is forecasting a break-even position for 2025/26.

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 a surplus of £369k against budget for the period ended 30th June 2025.

However, during the second half of the year, this surplus is expected to be depleted as the costs turn to be higher in the winter months. In addition, the budget for BAC and BASS had been reduced with effect from 01/07/2025.

The consolidated forecast position for BAC and BASS for 2025/26 is an underspend of £26k. This underspend is mostly attributed to BASS, meanwhile BAC is currently forecasting a break-even position for the financial year.

There remains a number of uncertainties around this underspend and it is highly likely that the level of underspend will be far lower than levels reflected in the current projections.

Aberdeen Heat and Power Ltd (AH&P Ltd)

AH&P Ltd is a company limited by guarantee and has no share capital. Aberdeen City Council is the sole member of AH&P which is a wholly owned subsidiary of the council guarantor. All AH&P board appointments are made by the Council as the sole member of AH&P Ltd.

For the period ended 30th June 2025, Aberdeen Heat and Power shows a surplus of £27k. The forecast for the financial year shows a surplus of 208k.

The main reasons for the Q1 surplus is mainly due to sales being higher than budget as a result of increase in electricity export sales. The forecast surplus is based on the assumption that this trend is likely to continue for the remainder of the financial year.

Joint Ventures

Aberdeen Sports Village Limited (ASV Ltd)

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 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 accounts for the period ended 30th May 2025 showed that ASV Ltd reported a deficit of £984k. The share of the deficit being attributed to the Council is £492k.

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.

The IJB is expected to achieve a balanced budget annually, however, as at 31st March 2025 the IJB had a deficit of £17m which was funded in the first instance from reserves and the remainder by its partners. Due to annual increases in care home contracts and increasing commissioning costs there remains a high risk that there is an overspend at the end of the 2025/26 financial year. The IJB have put a recovery plan in place, and a balanced budget is forecast for 2025/26 if all savings are achieved.

As at 30th June 2025 the IJB is forecasting a break-even position for financial year 2025/26.

Further analysis of the IJB variance can be seen in Appendix 2.

BP Aberdeen Hydrogen Energy Ltd (BPAHE Ltd)

BPAHE Ltd is a 50:50 joint venture between Aberdeen City Council and BP International Ltd set up on 11 March 2022. The purpose of this company is to establish a commercial hydrogen production, storage and distribution infrastructure for green hydrogen utilising renewable power to service transport in the short term. This will have the potential to be further expanded in future phases for the delivery of hydrogen power for a wide range of sectors looking to decarbonise, including fleet, heat and industry.

As at 30th June 2025, BPAHE Ltd show net expenditure of £128k. This consists of net operating costs of £178k and bank interests received of £50k. The portion of this net expenditure attributed to ACC is £64k.

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 Aberdeen City, Aberdeenshire, and Moray.

The Board has reported a surplus of £293k during the period ended 30th June 2025 mainly due to continued underspends in staffing and other supplies and services.

The portion of the underspend attributable to ACC is £114k.

Non-Material Interest in Other Entities

On the grounds of materiality, the North East Transport Partnership (NESTRANS), Grampian Venture Capital Fund Ltd, Strategic Development Planning Authority and Scotland Excel have to date been excluded from the Group Accounts, and therefore are not disclosed in the quarterly monitoring.

More information on these relationships can be found in the Council's Annual Accounts for 2024/25

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**Den Burn Restoration Project
Funding Update
30 June 2025**

At the Net Zero, Environment and Transport Committee on 10 June 2025 the Committee received the report [CR&E/25/061- Den Burn Restoration Project – Funding Update](#)

The Committee resolved to :-

- (a) note the content of the report;
- (b) note the limited time remaining for the Council to source match funding to retain the existing SEPA grant towards Detailed Design of the Den Burn Restoration Project, and continue the project; and
- (c) instruct the Chief Officer - Strategic Place Planning, following consultation with the Chief Officer - Finance and Chief Officer - Capital to explore funding options which may be available to support the project, and report the outcome to the Finance and Resources Committee on 6 August 2025.

The Den Burn Restoration Project aims to re-naturalise a 2.3km section of the burn which will benefit wildlife and biodiversity through habitat creation, and people through associated health and wellbeing benefits with active travel and connection to nature. The project also aims to be designed and delivered considering climate adaptation and sustainability.

The original committee instruction to officers regarding funding the Den Burn Restoration Project was to seek external funding. As detailed in the original report, the external funding environment remains challenging, and although some new funding opportunities have emerged in the last few weeks, there are still no options available which could fully fund the project solely from external sources.

The Den Burn Restoration Project is estimated to cost £3M in total to deliver. The project has been allocated priority funding through the Water Environment Fund which is managed by SEPA. This is an annual year funding programme from the Scottish Government to support the delivery of the 3rd River Basin Management Plan which completes in 2027. SEPA have confirmed they will be a significant funder towards the project but match funding is required. For financial year 2025/2026, SEPA have provided Aberdeen City Council with £250K to go towards the Detailed Design stage of the project. SEPA have stated their high confidence in the project and have indicated a willingness to increase their funding profile towards the project on the condition that the Council secure or provide match funding.

A combination of new funding streams, which have been confirmed since 10 June 2025 has been assembled to generate a £3 million project budget as detailed below:

Proposed Funding Model for Den Burn Restoration Project

A combination of new funding streams, which have been confirmed since 10 June 2025 has been assembled to generate a £3 million project budget as detailed below:

Funding Model for Denburn Restoration Project		£'000	Notes
Assumed total financial envelope required		3,000	
Funding secured			
SEPA grant towards Design Development	(250)		Funds paid in 2024/25 and held by Council
Sub-total	(250)		
Funding balance to be found		2,750	
Funding Options to be explored			
SEPA - additional funding from Water Environment Fund	(750)		Per draft award letter received from SEPA - requires match funding from ACC
New external funding	(1,436)		Climate Emergency - new line on Capital Programme per Capital Grant / settlement.
BLE - Core Path funding	(564)		New Bus Lane funds generated in Quarter 1 2025/26 - propose priority use to Den Burn Project. The Core Path elements of the project comply with the defined use of the BLE surplus; helping to meet the objectives of the Local Transport Strategy, as per the requirements of the Bus Lane Contraventions (Charges, Adjudication and Enforcement) (Scotland) Regulations 2011.
Sub-total	(2,750)		
Total to be confirmed		0	Target is zero - fully funded project

The Committee is recommended to approve the above funding matrix for the Den Burn Restoration Project, in order to respond to SEPA to secure their funding offer, and allow progression of the full project.

The Committee should note that once delivered, the extension to the Core Path network created by this project will require to be maintained. The report [CR&E/25/140 – Bus Lane Enforcement and Low Emission Zone Project 2025/26](#) confirmed Core Path Maintenance would be prioritised from future BLE funds.

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ABERDEEN CITY COUNCIL

COMMITTEE	Finance and Resources
DATE	6 August 2025
EXEMPT	No
CONFIDENTIAL	No
REPORT TITLE	Castlegate Public Realm Update
REPORT NUMBER	CR&E/25/178
EXECUTIVE DIRECTOR	Gale Beattie
CHIEF OFFICER	Alan McKay
REPORT AUTHOR	Sandy Beattie
TERMS OF REFERENCE	1.1

1. PURPOSE OF REPORT

- 1.1 This report provides an update on the final design and layout for public realm improvements in the Castlegate.

2. RECOMMENDATIONS

That the Committee:-

- 2.1 Approves the design and layout of the public realm improvements as detailed in Appendix A; and
- 2.2 Instructs the Chief Officer – Capital, following consultation with the Chief Officer – Commercial & Procurement Services, to negotiate and execute contracts for delivery of the construction programme in line with the previously approved total project budget as detailed in paragraph 4.1, reporting progress through the Chief Officer – Capital's regular capital programme monitoring reports to this committee.

3. CURRENT SITUATION

- 3.1 Castlegate public realm improvements are a key component of the City Centre and Beach Masterplan. The general layout and design principles were agreed by Council at their meeting on 7 February 2024 (ref RES/24/039). Further, the Finance & Resources Committee on 7 August 2024, agreed the spatial principles to be adopted in the space, including how the area is serviced and managing active travel (ref CR&E/24/219).

Summary

- 3.2 The final design takes into account a number of challenging factors including, but not limited to, accessibility, hierarchy of space and movement, historic

environment, servicing, tourism, events, business needs and residents amenity.

3.3 Engagement has taken place through first of all an “On-Boarding Session” in late August 2024, with youth, community, business active travel and transport groups involved in setting the key principles of design based on the spatial arrangement agreed at Finance & Resources Committee in August 2024. This was followed up with further sessions involving the Disability Equity Partnership, Cycle Forum and Castlegate businesses.

3.4 The layout (see Appendix A) is structured in such a way to ensure that all the factors in 3.2 above are considered and managed in a significantly better way than at present. These are broadly summarised below :

- Clear and unobstructed footways adjacent to buildings
- Clear service and cycle arrangements (future proofed pending commitment to deliver Union Street East and Castle Street public realm improvements)
- Significant greening of the space to:
 - Provide sustainable drainage solutions
 - Enhance air quality
 - Improve biodiversity
 - Encourage active use of the space
 - Provide health benefits
- Clear service movement and access
- Hostile Vehicle Mitigation measures
- Flexible events space
- Seating, both outdoor café and for general use
- Incidental play
- Enhanced setting for the Mercat Cross (including restoration work to the structure)
- Enhanced setting and access to seating for the Gordon Highlanders Memorial
- Improved feature lighting for both decorative and wayfinding purposes

3.5 There are a number of features in the design that have been worked on collaboratively with the Disability Equity Partnership, captured in the associated Integrated Impact Assessment. These include, but are not limited to:

- Clear footways
- Use of street furniture, planters etc to define movement spaces
- Surface finishes to aid visually impaired to navigate via stick
- Selection of plant species to avoid falling broadleaves
- Regular and varied height seating with choice of back and arm rests

3.6 As previously agreed at Finance & Resources Committee in August 2024 vehicle movement and active travel are managed in the space via the design and layout. This will be supplemented by enforcing timed vehicle restrictions. The intention is that the existing Traffic Regulation Order (TRO) will be updated under existing delegations to reflect current best practice and success of

implementation will rely on appropriate stewardship of the space after completion.

The process of behavioural change has already started with businesses in the area after a traffic count highlighted the main issues affecting the space. Business owners at the Castlegate have all indicated a willingness to work with the Council and ensure that service timing and deliveries are appropriate and allow the space to be safely accessed by all.

- 3.7 Events in the space are an important part of the history and character of the Castlegate and the design reflects this. The area to the west of the Mercat Cross is designed to be the focus of events of a range of sizes. Street furniture, planters etc in the area are removeable to enable larger events as required.

The Gordon Highlanders Statue is relocated to the south side of the Castlegate, with seating positioned opposite to improve the setting and support those paying their respects. Representatives of the Gordon Highlanders have been involved in the design and a letter expressing their support is attached as Appendix 2.

Space is available for on street market trading, subject to either delegated powers held by Corporate Services – Governance or Licensing Committee decision where appropriate. Space is also available for outdoor seating for cafés, restaurants etc in the area, subject to Café Permit applications to the Roads Authority being approved and, where relevant, other regulatory requirements such as licensing approval and planning permission.

- 3.8 Pending approval of this report, the Chief Officer – Capital, following consultation with the Chief Officer – Commercial & Procurement Services, will negotiate and execute contracts for delivery of the Castlegate construction programme. Financial close will follow with a site start expected by the end of August 2025. This is subject to satisfactory returns for all work packages.

Project Financial Close	w/c 11.08.25
Site start:	
Advance Works (Utilities diversions etc)	w/c 25.08.25
Main Works (Construction)	Q3/Q4 2025/26

Construction start will be dependent on completion of advance works and is expected to take around 12 months.

4. FINANCIAL IMPLICATIONS

- 4.1 The 5 Year General Fund Capital Programme (2025/26 – 2029/30), approved at Council on 5 March 2025, allocates a total £13,118,000 over the next three financial years to the delivery of the project. A total of £662,000 costs have been incurred in 2024/25 for design development and extensive survey work.

5. LEGAL IMPLICATIONS

- 5.1 There are likely to be several access rights to properties, lanes and pends which will require to be taken into consideration during construction work.
- 5.2 As project proposals from the Masterplan report progress, they will be examined and managed within the professional scope of property / conveyancing industry accepted standards, ensuring all due diligence exercises and pre-contract enquiries are complete and satisfactory.
- 5.3 Any work that is recommended to property not owned by the Council will require effective dialogue and the owner's consent before it can commence. Other local authority consents, such as planning permission and listed building consent, may also be required for any necessary works to buildings.
- 5.4 All changes to vehicular movement on the road network are subject to statutory processes.

6. ENVIRONMENTAL IMPLICATIONS

- 6.1. The City Centre and Beach Masterplan has been screened through the Strategic Environmental Assessment (SEA) process and the consultation authorities have confirmed that no Environmental Report specific to this overarching Masterplan is required. Individual plans, programmes and strategies falling out of the Masterplan will be considered individually, as will any requirements for project-specific Habitat Regulations Appraisals (HRAs).
- 6.2. The public realm design includes the introduction of planting encouraging biodiversity in the city centre and contributing to clean air targets.

7. RISK

Category	Risks	Primary Controls/Control Actions to achieve Target Risk Level	*Target Risk Level (L, M or H) *taking into account controls/control actions	*Does Target Risk Level Match Appetite Set?
Strategic Risk	Not delivering CCMP and Beach projects	Full programme of works will be developed, project funding included in capital programme	L	Yes
Compliance	Statutory approvals will be sought where necessary	Manage through ongoing delivery programme	L	Yes

Operational	Sufficient capacity of resources within Councils teams to meet programme objectives	Forward planning through CCMP and Beach project delivery programme Resource review ongoing and augmented support through the Project Management Office of Hub North Scotland Ltd	M	Yes
Financial	Budget pressures due to current market volatility	Robust budgets established including significant optimism bias and inflation risk. Independent monitoring process established. With PMO early supply chain mitigations action plan established across the programme	M	Yes
Reputational	Delivery	Agree and implement projects, clear communications, articulate vision	M	Yes
Environment / Climate	Air quality improvement Active travel Local material supply	Incorporated into project proposals. Early engagement underway with material suppliers	M	Yes

8. OUTCOMES

<u>Council Delivery Plan 2024</u>	
	Impact of Report
Aberdeen City Council Policy Statement <u>Working in Partnership for Aberdeen</u>	<p>Supports the delivery of Economy Policy Statement 4 – Increase city centre footfall through delivery of the City Centre Masterplan. 1. – Continue to maximise community benefit from major developments.</p> <p>Vibrant City- We will work tirelessly to make Aberdeen a more attractive place to live, work, report and visit with a vibrant cultural offering.</p> <ul style="list-style-type: none"> Aim to make Aberdeen a premier destination for festivals, productions, conferences, bands and events.
<u>Local Outcome Improvement Plan 2016-2026</u>	
Prosperous Economy Stretch Outcomes	Supports Outcome 1 - 10% increase in employment across priority and volume growth sectors by 2026.

Prosperous People Stretch Outcomes	<p>Supports Outcome 7 - Child Friendly City which supports all children to prosper and engage actively with their communities by 2026.</p> <p>The report references active travel and cultural participation which support the delivery of Stretch Outcome 10. Healthy life expectancy (time lived in good health) is five years longer by 2026.</p>
Prosperous Place Stretch Outcomes	<p>Supports 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 Supports Outcome 15 38% of people walking and 5% of people cycling as main mode of travel by 2026.</p>
Regional and City Strategies	<p>The report supports the National, Regional and Local Transport Strategies, particularly the Sustainable Travel Hierarchy, which prioritises the needs of those walking, wheeling and cycling above other road users, and the 4 pillars identified in the recent Regional Transport Strategy, Nestrans 2040: Equality, Climate, Prosperity and Wellbeing.</p> <p>It also supports the Aberdeen Active Travel Plan and Sustainable Urban Mobility Plan, both of which seek to improve conditions for people walking and cycling in Aberdeen, particularly to, from and within the City Centre, through the provision of more and safer infrastructure.</p>

9. IMPACT ASSESSMENTS

Assessment	Outcome
Integrated Impact Assessment	New Integrated Impact Assessment has been completed.
Data Protection Impact Assessment	N/A
Other	N/A

10. BACKGROUND PAPERS

- 10.1 RES/24/039 City Centre Streetscape Update
<http://councilcommittees/documents/s153355/240207%20City%20Centre%20Update%20report%20to%20Council%20RES%2024%20039.pdf>
- 10.2 CR&E/24/219 Castlegate Public Realm Update
<https://committees.aberdeencity.gov.uk/documents/s160081/Castlegate%20Public%20Realm%20Update.pdf>

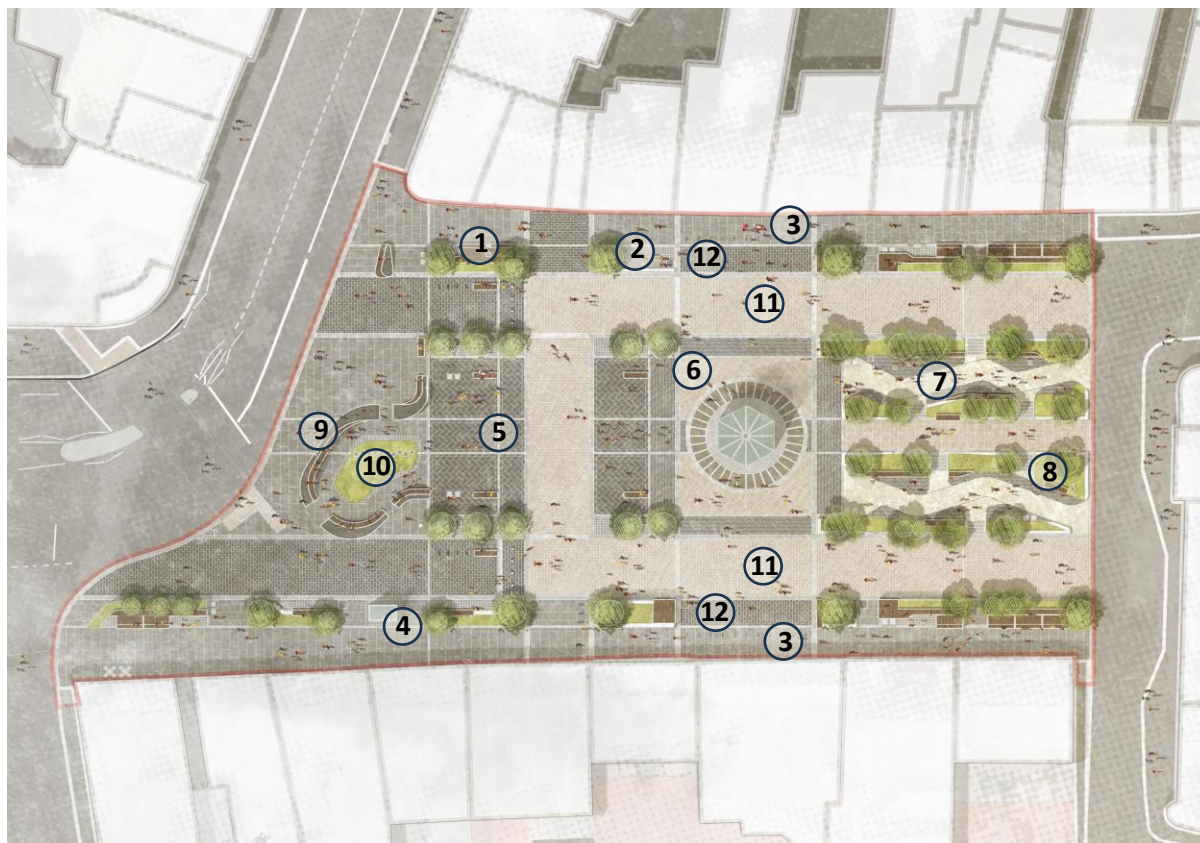
11. APPENDICES

- 11.1 Appendix 1 : Castlegate final layout and images
- 11.2 Appendix 2 : Letter of support from Gordon Highlanders

12. REPORT AUTHOR CONTACT DETAILS

Name	Sandy Beattie
Title	Masterplan Manager
Email Address	sbeattie@aberdeencity.gov.uk
Tel	+441224069108

Appendix 1 : Castlegate final layout and images



1	Spill out seating associated with established restaurants and bars.
2	Areas that accommodate seating and resting points set within surface mounted raised planters
3	3m wide clear and unobstructed footways adjacent to the buildings
4	Relocated Gordon Highlanders Statue with seating and planting adjacent, creating an enhanced setting
5	Open and flexible space, west of the Mercat Cross capable of accommodating formal and informal gatherings
6	Natural stone paving, provides an enhanced setting to the Mercat Cross
7	Key routes through the gardens, with seating, incidental play, lighting and opportunities for artwork and interpretation
8	Areas of planting, providing shade, shelter and seasonality
9	Sculptural 'serpentine' bench, providing a backdrop to the Castlegate and opportunities for informal play and gatherings
10	Rain gardens, offering sustainable drainage, greening and seasonality
11	Inner square through route that provides permeable access for pedestrians and cyclists; secondary function as a servicing route
12	Laybys accommodating service vehicles, deliveries and refuse collection



View from 'serpent bench'



Aerial view from King Street



View from Justice Street



View from Citadel

Appendix 2 : Letter of support from Gordon Highlanders

The Gordon Highlanders Museum and Regimental Trust Fund, St Lukes, Viewfield Road, ABERDEEN, AB15 7XH
Tel: 01224 311200 Fax: 01224319323 Email: museum@gordonhighlanders.com

From Colonel (Retired) CPC Sloan OBE LLB
Executive Chairman



Sandy Beattie
Masterplan Manager
Aberdeen City Council
Marischal College
Broad Street
ABERDEEN
AB1 1AB

23 July 2025

RELOCATION OF GORDON HIGHLANDERS STATUE, CASTLEGATE

The Gordon Highlanders are strongly supportive of the proposed relocation of The Gordon Highlanders Statue from its current position in the Castlegate to its proposed new location closer to the South West corner of the Castlegate.

We are particularly appreciative that our requirement to have sufficient space around the statue so that it can continue to be used as a focus for commemorative events has been met. We also consider that the new location is the most suitable of the alternatives that were proposed.

I am also happy for this letter of support to be made public if this is considered appropriate without any further reference to me.

Yours sincerely



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ABERDEEN CITY COUNCIL

COMMITTEE	Finance and Resources
DATE	6 th August 2025
EXEMPT	No
CONFIDENTIAL	No
REPORT TITLE	Beachfront Pedestrian Spine – Design Update
REPORT NUMBER	CORS/25/177
DIRECTOR	Andy MacDonald/Gale Beattie
CHIEF OFFICER	Craig Innes
REPORT AUTHOR	Craig Innes
TERMS OF REFERENCE	1.1.17

1. PURPOSE OF REPORT

- 1.1 This report provides Committee with final proposed design layouts for approval of Beachfront Pedestrian Spine.

2. RECOMMENDATION(S)

- 2.1 That the Committee approve the final design layout as shown in Appendices 1 to 4 and detailed within this report for the Pedestrian Spine on the Beach Boulevard; and
- 2.2 Instructs the Chief Officer – Capital, following consultation with the Chief Officer – Commercial & Procurement Services, to negotiate and execute contracts for delivery of the construction programme in line with the previously approved total project budget as detailed in paragraph 4, reporting progress through the Chief Officer – Capital's regular capital programme monitoring reports to this committee.

3. CURRENT SITUATION

- 3.1 An Outline Business Case (OBC) including the medium-term interventions (Beach Park, Events Park and Broadhill) was approved by Council on 14th of December 2022, with a Full Business Case (FBC) being approved on 11 September 2023. A Development Framework for Phase 1 of the Beach area was approved by Council in May 2023 and sets out the Council's Vision to revitalize and renew Aberdeen's beachfront to maximise the potential of this unique space and create an exceptional asset for the city. The Pedestrian Spine (section of Boulevard from Links Road to the Esplanade) is part of the Beach Masterplan.
- 3.2 The Pedestrian Spine will serve as a gateway to the beachfront from the city centre.

- 3.3 It is bounded by both park areas of Phase A of the masterplan (Beach Park and Events Field) and on completion will connect these, resulting in an integrated space, free of motor vehicles (other than those authorised/service) to allow active use of the space and safe use for park users.
- 3.4 The main features of the Pedestrian Spine are;
- designated pedestrian routes to interface with key access points of the Beach Park and Events Field including consideration from the accessible parking locations.
 - designated, segregated, cycle path that travels through this central spine with junctions where it meets the pedestrian paths.
 - soft landscaping designed to complement the adjacent park areas with the plant types and heights varying depending on location and visibility requirements.
 - seating locations strategically placed along the spine route of robust precast design to provide opportunities to rest.
 - parking for bicycles incorporated at key locations
 - gate at the Esplanade approach for controlled access to emergency vehicles, vehicles for deliveries and maintenance purposes.
 - the materials used for the Spine are impermeable buff coloured asphalt on the pedestrian routes and hot rolled asphalt with red granite chips on the cycle route.
 - the Pedestrian Spine enhances the Phase A scheme due to its functional benefits increasing accessibility, safe use and integration of the spaces.
- 3.5 As part of the works, the Links Road and Beach Esplanade junctions will be upgraded. The designs for these junctions have been developed in conjunction with the Council, the Disability Equity Partnership and the Aberdeen Cycle Forum, ensuring accessibility and ease for all users has been ingrained into the proposals.
- 3.6 Additional accessible parking is to be provided on the Beach Esplanade to limit the distance for Beach Park visitors that require these spaces. [OBJ]
- 3.7 The planned programme for construction is to commence physical works in Q3 2025 and to complete within the same time scales as the Beachfront Phase A project, in Q3 2026. [OBJ]
- 3.8 A Stopping up Order (SUO) was required for this section of the Boulevard. The 28-day statutory consultation for the SUO took place under delegated powers between 27 May 2025 and 23 June 2025, which involved notices being advertised in the Evening Express and Edinburgh Gazette.
- 3.9 The statutory consultation returned no objections. Aberdeen City Council have proceeded with confirmation of the SUO.
- 3.10 It has been agreed with the Planning Authority that the works will be undertaken without the need for planning permission as this is considered permitted

development. However, a Certificate of Lawfulness (CLU) has been requested and has been applied for.

- 3.11 Specific stakeholder engagement in relation to the Pedestrian Spine has been undertaken with several organisations and individuals including:
- 25 April 2025: Presentation to Disability Equity Partnership on the Links Road & Esplanade junctions design, including an update on the core Pedestrian Spine Design.
 - 15 May 2025: Update to relevant Council Teams
 - 11 June 2025: Presentation to Disability Equity Partnership on the Links Road & Esplanade junction's design
 - Cycle Forum engaged early stages and again mid-July 2025 on Full Design.

4. FINANCIAL IMPLICATIONS

- 4.1 Initially the Pedestrian Spine was to be delivered within Phase B of the overall Beachfront Masterplan. However the Pedestrian Spine is integral to the completion of Phase A and as such it was deemed necessary to move it into Phase A of the overall Beachfront Masterplan to ensure the benefits of Phase A could be fully realised.
- 4.2 An additional £3.3M was added to the Phase A budget to enable the inclusion of the Pedestrian Spine within Phase A, which was approved within March 2025 Council Budget Committee.
- 4.3 The report CR&E/25/126 Roads and Transport Related Capital Budget Programme 2025-2026 approved by the Net Zero, Environment and Transport committee on 10 June 2025 allocated £1 million of the Scottish Government Tier 1 Active Travel Infrastructure Fund to the Beach Spine Road as part of the Beachfront project.

5. LEGAL IMPLICATIONS

- 5.1 In the event that third party consents are required, the appropriate service will work with Legal Services to request that these are provided.

6. RISK

Category	Risks	Primary Controls/Control Actions to achieve Target Risk Level	*Target Risk Level (L, M or H) *taking into account controls/control actions	*Does Target Risk Level Match Appetite Set?
Strategic Risk	Failure to proceed with the Beachfront Masterplan impacts on wider City commitments and economic targets.	Continue to work collaboratively to achieve the masterplan delivery and wider advantages.	M	Yes
Operational	Beach Boulevard/Beach promenade traffic arrangements	Consultation with Council Roads and Planning Teams has taken place,	M	Yes
Operational	Utility Diversions & Ground Conditions	Investigation undertaken and no diversion work identified. Ground conditions under existing slab ongoing.	M	Yes
Hostile Vehicle mitigation	ACC review require mitigation to be added	Hub North Scotland has obtained a report on behalf of ACC for their consideration	M	Yes
Financial	Budget pressures	Robust budget established. Monitoring process established. Cost market testing currently being undertaken prior to instruction	M	Yes
Reputational	Failure or delay to deliver in line with Masterplan	Continue to work collaboratively to achieve the masterplan delivery and wider advantages.	M	Yes

8. OUTCOMES

<u>COUNCIL DELIVERY PLAN 2024-2025</u>	
	Impact of Report
Aberdeen City Council Policy Statement <u>Working in Partnership for Aberdeen</u>	Supports the delivery of Economy Policy Statement 4 – Increase city centre footfall through delivery of the City Centre Masterplan. 1. – Continue to maximise community benefit from major developments.
<u>Local Outcome Improvement Plan</u>	
Prosperous Economy Stretch Outcomes	Supports Outcome 1 10% increase in employment across priority and volume growth sectors by 2026.
Prosperous People Stretch Outcomes	Supports Outcome 7 Child Friendly City which supports all children to prosper and engage actively with their communities by 2026.
Prosperous Place Stretch Outcomes	Supports 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. Supports Outcome 15 – 38% of people walking and 5% of people cycling as main mode of travel by 2026.
Regional and City Strategies	The report supports the priorities in the Regional Economic Strategy (RES) investment in infrastructure, regenerating our city Centre, unlock development potential, improve the deployment of low carbon transport, to enable Aberdeen to realise development opportunities in the City Centre Masterplan.

9. IMPACT ASSESSMENTS

Assessment	Outcome
Integrated Impact Assessment	Previous Integrated Impact Assessment relating to Phase A of the Beach Masterplan has been reviewed and no changes required
Data Protection Impact Assessment (PDIA)	DPIA Screening Questions completed. Neither a brief DPIA or full DPIA is required at this stage
Other	N/A

10. BACKGROUND PAPERS

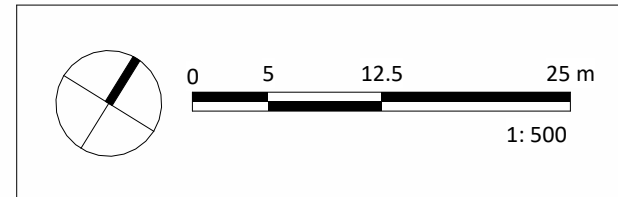
- 10.1 [Report to Council 28 February 2022](https://committees.aberdeencity.gov.uk/documents/s129266/220228%20City%20Centre%20Masterplan%20Update%20Report.pdf)
<https://committees.aberdeencity.gov.uk/documents/s129266/220228%20City%20Centre%20Masterplan%20Update%20Report.pdf>
- 10.3 [Council Decisions 11 September 2023](https://committees.aberdeencity.gov.uk/documents/g9100/Decisions%2011th-Sep-2023%2010.00%20Council.pdf?T=2)
<https://committees.aberdeencity.gov.uk/documents/g9100/Decisions%2011th-Sep-2023%2010.00%20Council.pdf?T=2>

11. APPENDICES

- 11.1 Appendix 1 – Pedestrian Spine Overview Plan
- 11.2 Appendix 2 – Esplanade Junction Plan (1/2)
- 11.3 Appendix 3 – Esplanade Junction Plan (2/2)
- 11.4 Appendix 4 – Links Road Junction Plan

12. REPORT AUTHOR CONTACT DETAILS

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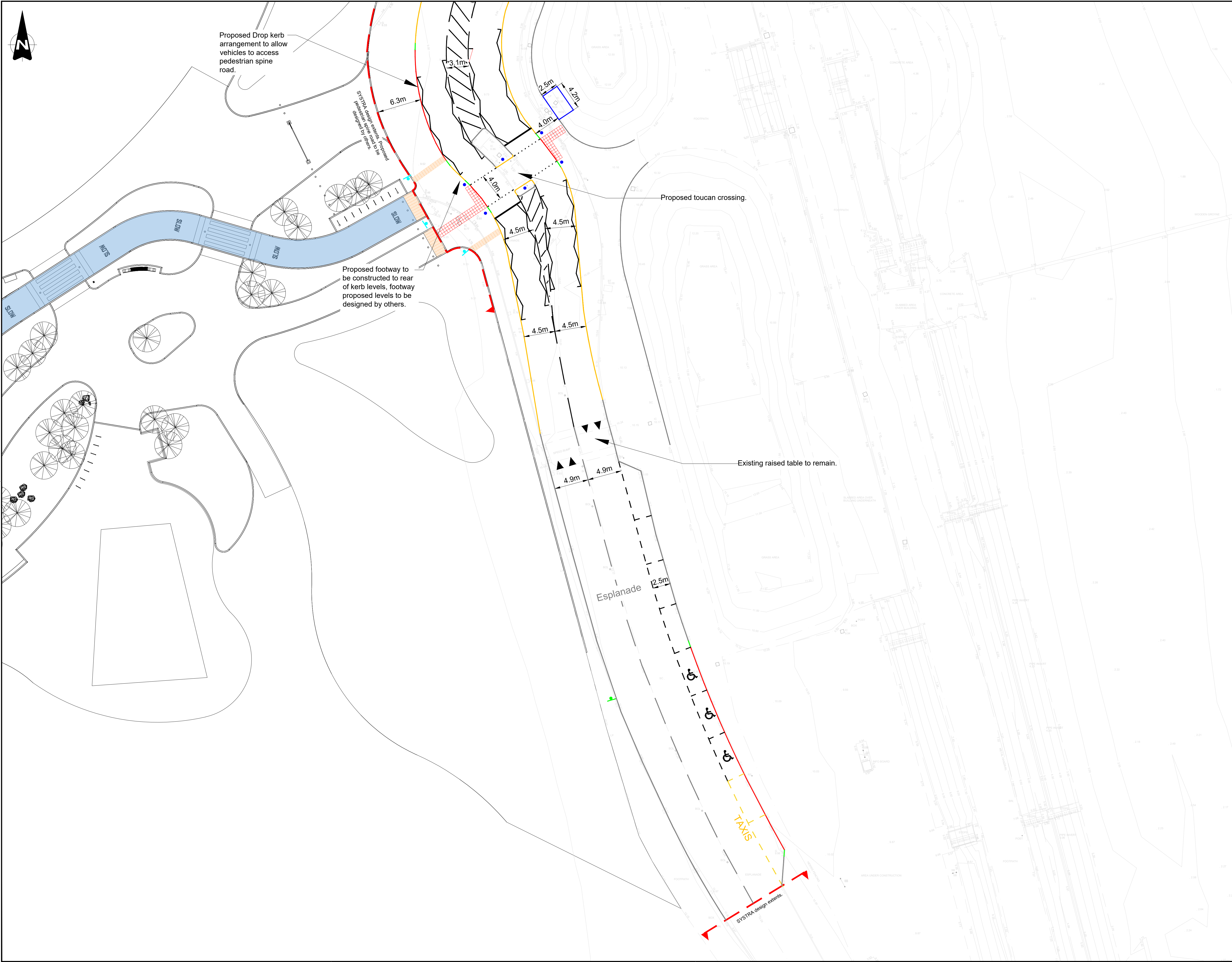
OPEN PROJECT NUMBER
211642

Overview Plan

Sheet Purpose
PRELIMINARY

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Notes:

- Do not scale from this drawing.
- All dimensions in metres unless otherwise stated.
- To be read in conjunction with all Systra associated drawings.

Key:

- Proposed Half Batter Kerb
- Proposed Dropped Kerb
- Proposed Transition Kerb
- Proposed Edging Kerb
- Existing Kerb to Remain
- Proposed Traffic Signal Pole
- Proposed Controlled Tactiles (Red Coloured)
- Proposed Uncontrolled Tactiles (Buff Coloured)
- Proposed Shared Surface Tactiles (Buff Coloured)
- Proposed Sign
- SYSTRA Design Boundary
- Pedestrian Spine Cycleway

Rev.	Date	Revision details	Drawn	Checked	Approved

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Client

Aberdeen City Council

Project

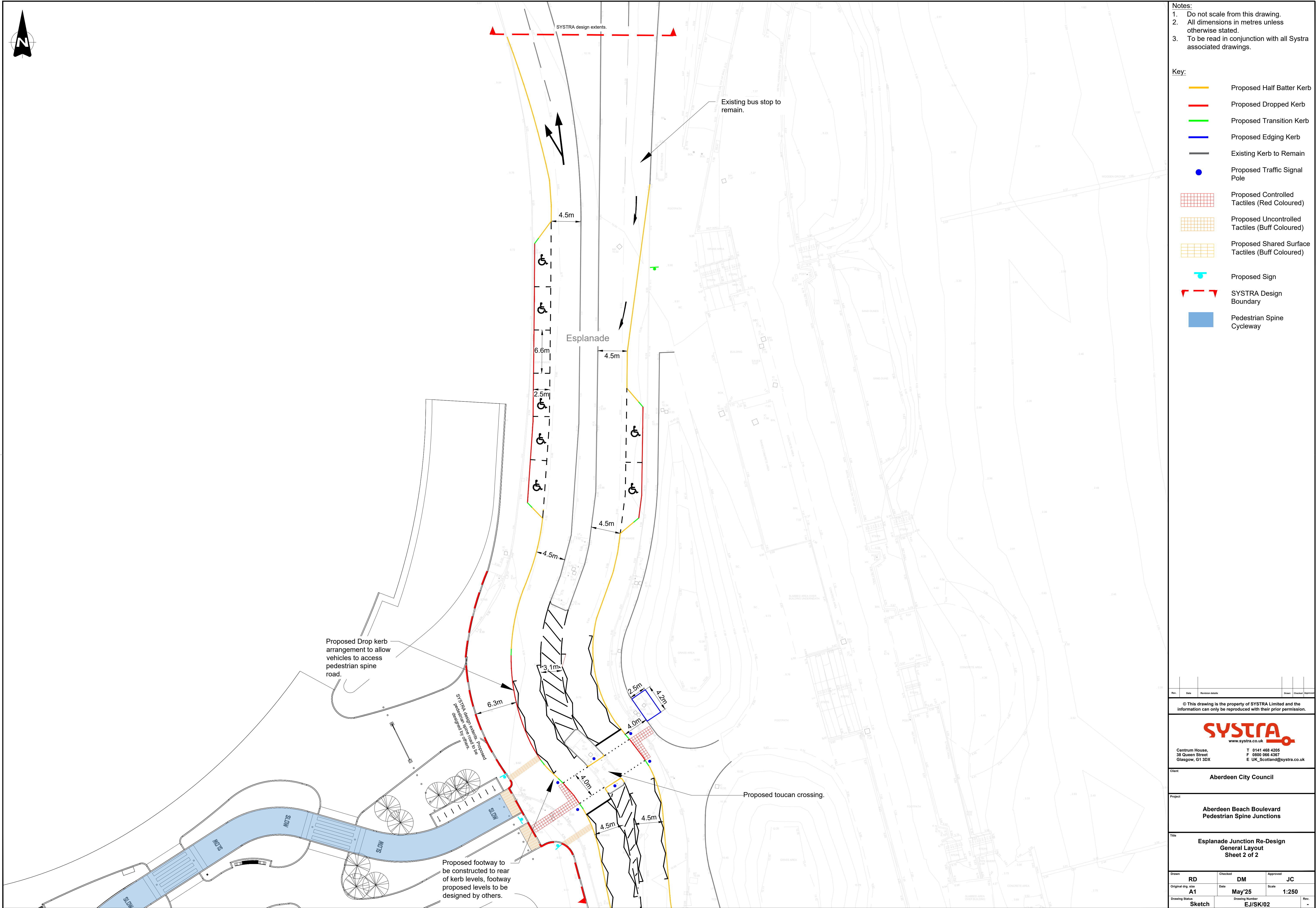
Aberdeen Beach Boulevard
Pedestrian Spine Junctions

Title

Esplanade Junction Re-Design
General Layout
Sheet 1 of 2

Drawn	RD	Checked	DM	Approved	JC
Original dwp. size	A1	Date	May'25	Scale	1:250
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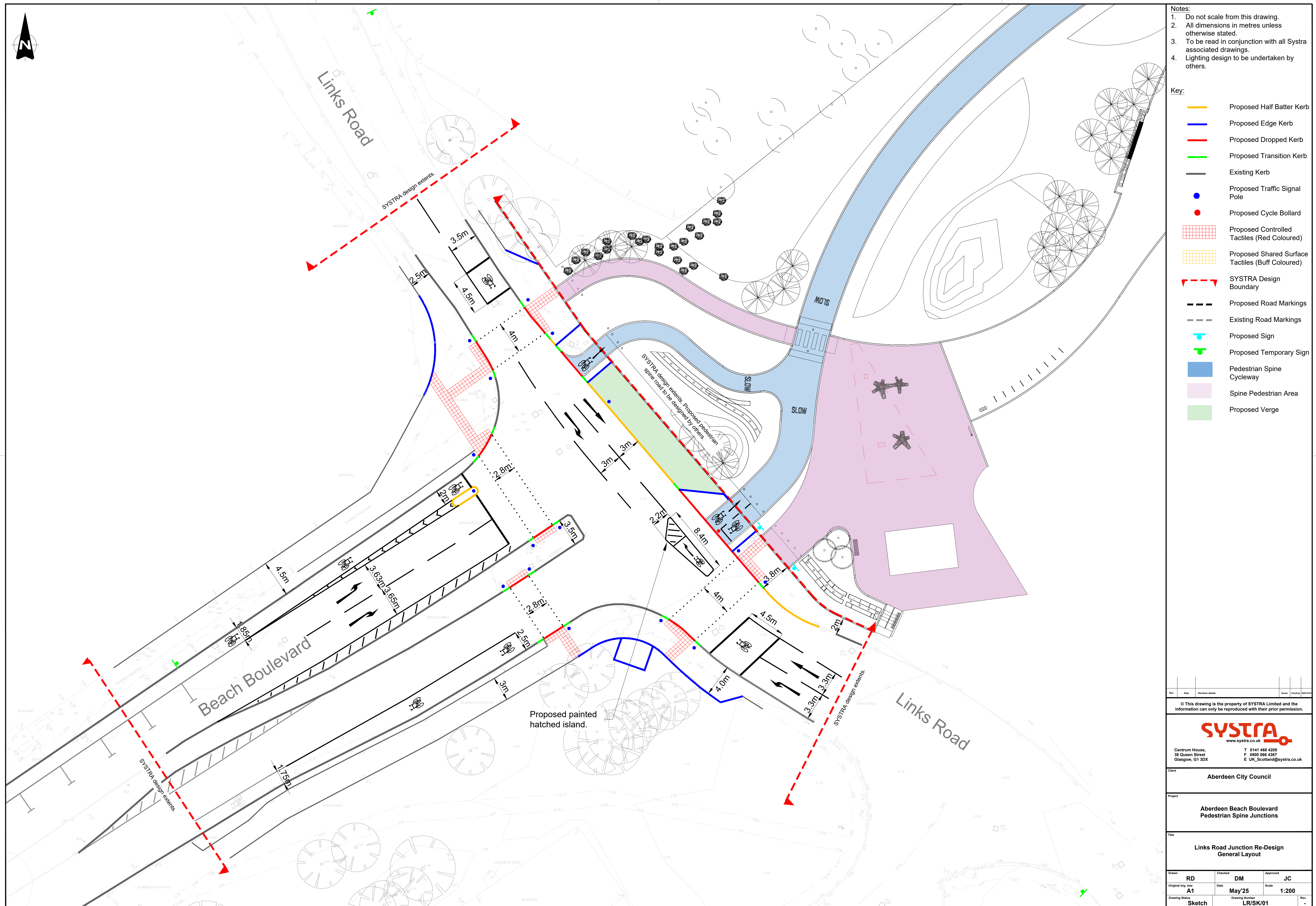
Client
Aberdeen City Council

Project
**Aberdeen Beach Boulevard
Pedestrian Spine Junctions**

Title
**Esplanade Junction Re-Design
General Layout
Sheet 2 of 2**

Drawn	RD	Checked	DM	Approved	JC
Original dwg. size	A1	Date	May'25	Scale	1:250
Drawing Status	Sketch	Drawing Number	EJ/SK/02	Rev.	-

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COMMITTEE	Finance and Resources Committee
DATE	6 th August 2025
EXEMPT	No
CONFIDENTIAL	No
REPORT TITLE	Performance Management Framework Report
REPORT NUMBER	CORS/25/176
DIRECTOR	Andy MacDonald
CHIEF OFFICER	Martin Murchie
REPORT AUTHOR	Alex Paterson
TERMS OF REFERENCE	2.1.3

1. PURPOSE OF REPORT

- 1.1 To present Committee with the status of (a) key operational performance measures and activity indicators relating to those Functions and Clusters within the remit of the Finance and Resources Committee at conclusion of the 2024/25 fiscal period and (b) year-to-year comparisons against a series of core data derived from recent national publications, and Statutory Performance Indicators linked to these organisational structures.

2. RECOMMENDATION

- 2.1 That the Committee note the report and provide comments and observations on the performance information contained in the Appendix to the report.

3. CURRENT SITUATION

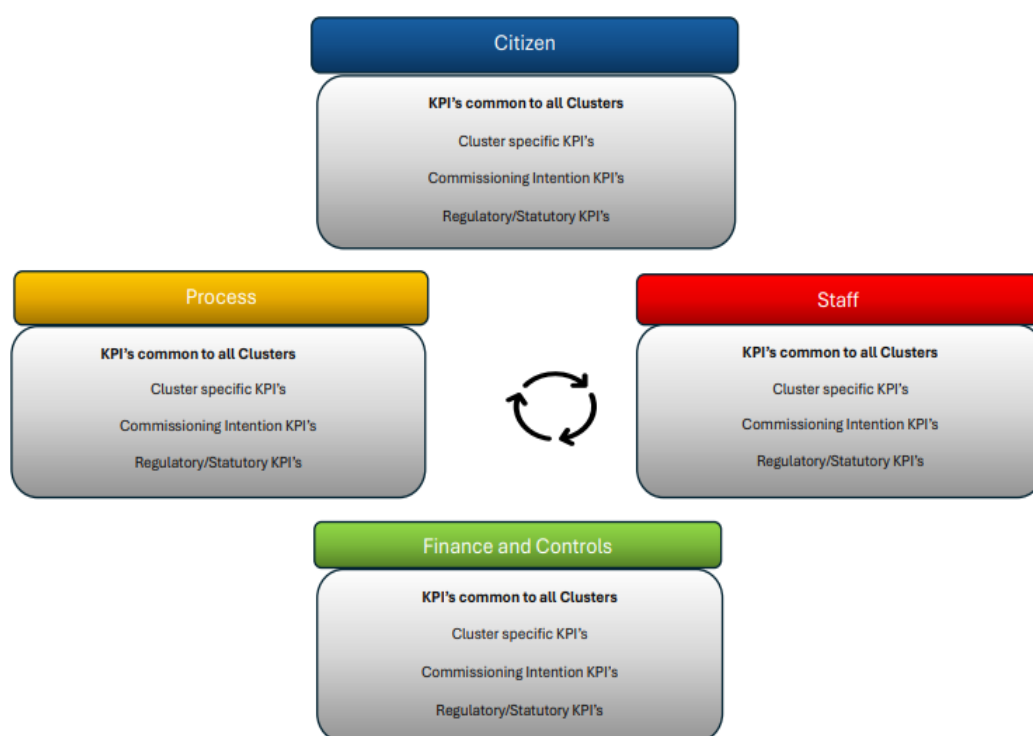
Report Purpose

- 3.1 This report is to provide members with key performance measures in relation to Cluster based outputs and outcomes as expressed within the 2024/25 Council Delivery Plan (the Plan).

Report Structure

- 3.2 Performance Management Framework Reporting against in-house delivery directly contributing to, or enabling delivery against, the City's Local Outcome Improvement Plan (LOIP) has informed development of successive Council Delivery Plans, including the 2024/25 Plan that was agreed by Council on 6th March 2024.
- 3.3 The 2025/26 Plan was subsequently agreed at the meeting of Council on the 16th of April 2025 and will inform future Performance Management Framework reports to this Committee.
- 3.4 Reporting against the Plan, including updating of Service Standards agreed at that meeting, is incorporated within Performance Management Framework reports to each of the relevant 'parent' Council Committees.

- 3.5 The Council's 2024/25 Performance Management Framework update was agreed at the meeting of Council on 21st August 2024 and will be refreshed for 2025-26 through a proposed report to Council on the 20th August 2025.
- 3.6 Within the above report, it is proposed that reporting of the performance management related outcomes from the Digital and Technology Cluster would transfer from Communities, Housing and Public Protection Committee Performance Management Framework reporting to this Committee going forwards.
- 3.7 Performance Management Framework Reporting provides for a consistent approach within which performance will be reported to Committees. This presents performance data and analysis within four core perspectives, as shown below, which provides for uniformity of performance reporting across Committee.



Report Content

- 3.8 Members are asked to note that the measures reflected against in this report align with those Standards and corporate measures outlined in the 2024/25 Council Delivery Plan and Council Commissioning Intentions.
- 3.9 Where appropriate, hard and soft data capture against these Standards is incorporated within the suite of measures contained within Appendix A and is reported against on either a quarterly or annual basis, as highlighted.

Performance Measures

- 3.10 Within the summary dashboard (Appendix A) the following symbols are used

Traffic Light Icon



Within limits of target/benchmarked outcome



Between 5% to 20% out with target/benchmarked outcome and being monitored



More than 20% out with target/benchmarked outcome and being actively pursued



Data only – target not appropriate/benchmarked outcome not available

4. FINANCIAL IMPLICATIONS

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

5. LEGAL IMPLICATIONS

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

6. ENVIRONMENTAL IMPLICATIONS

- 6.1 There are no direct environmental implications arising from the recommendations of this report

7. RISK

- 7.1 The assessment of risk contained within the table below is considered to be consistent with the Council's Risk Appetite Statement.

Category	Risks	Primary Controls/Control Actions to achieve Target Risk Level	*Target Risk Level (L, M or H) *taking into account controls/control actions	*Does Target Risk Level Match Appetite Set?
Strategic	None	NA	NA	NA
Compliance	No significant legal risks.	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.	L	Yes

Operational	No significant operational risks.	Oversight by Elected Members of core employee health and safety/attendance data supports the Council's obligations as an employer	L	Yes
Financial	No significant financial risks.	Overview data on specific limited aspects of the cluster's financial performance is provided within this report	L	Yes
Reputational	No significant reputational risks.	Reporting of service performance to Members and in the public domain serves to enhance the Council's reputation for transparency and accountability.	L	Yes
Environment / Climate	None	NA	NA	NA

8. OUTCOMES

Council Delivery Plan 2024-25	
	Impact of Report
Aberdeen City Council Partnership Agreement	The provision of information on cluster performance will support scrutiny of progress against the delivery of the following Agreement Statements:
Improving Educational Choices	<ul style="list-style-type: none"> - Work with the city's universities, North East Scotland College and businesses to increase educational and training options and the number of care experienced young people and young people from deprived communities, going onto positive destinations, including further and higher education, vocational training and apprenticeships. - Promote the number of apprenticeships on offer through the council.
Creating Better Learning Environments	<ul style="list-style-type: none"> - Review and invest in our school estate, ensuring all of Aberdeen's schools are fit for the educational needs and the challenges of the 21st century.
City Centre and Beach	<ul style="list-style-type: none"> - Refresh our tourism and cultural strategies for the city.

	<ul style="list-style-type: none"> - Expand the Beach Masterplan, extending the footprint from the River Dee to the River Don. - Bring forward plans to improve active travel links between the Castlegate and the beach. <p>- Continue to move the City Centre and Beach Masterplans forward, expanding it to include George Street and ensuring it remains current with annual reviews.</p> <p>Our city should become distinguished by the range and depth of active creative expression and artistic enjoyment experienced by those who live here and by visitors. By supporting and working with cultural partners, we will ensure there is richness and diversity of arts activities.</p>
The Arts Matter	<ul style="list-style-type: none"> - Work with partners to explore opportunities to develop heritage, museum and online services with a special emphasis on local history and stories of our heritage. - Declare a climate emergency. - Work with partners to deliver a just transition to net zero and plan to make Aberdeen a net-zero city by no later than 2037, and earlier if that is possible.
Building a Greener and Sustainable City	<ul style="list-style-type: none"> - Support Aberdeen's continued pioneering of Hydrogen technologies and make the case to bring alternatively powered rail services to the City. - Continue to reduce the carbon footprint of the council's building estate and vehicle fleet and adopt an "environment first" approach to all new Council building projects, seeking to maximise the energy efficiency of, and minimise the carbon footprint of, new buildings - Delivering a revised Local Transport Strategy. - Working with the Scottish Government and NESTRANS to improve the city's bus network, including considering options for an Aberdeen Rapid Transit network, with the support of the Scottish Bus Fund, and consider options for council-run services in the city.
Greener Transport, Safer Streets, Real Choices	<ul style="list-style-type: none"> - Improving cycle and active transport infrastructure, including by seeking to integrate safe, physically segregated cycle lanes in new

<p>Homes for the Future</p> <p>A Prosperous City</p> <p>Empowering Aberdeen's Communities</p>	<p>road building projects and taking steps to ensure any proposal for resurfacing or other long-term investments consider options to improve cycle and active transport infrastructure.</p> <ul style="list-style-type: none"> - Work with partners to produce a ten-year plan to increase the stock and variety of Council and social housing to meet the needs of Aberdeen's citizens and continue to deliver Council and social housing projects to tackle the Council house waiting lists and do everything in our power to end homelessness. - Develop our economy in a genuine partnership with the private sector, third sector and residents. - Campaign for Aberdeen to be the home of a new Green Freeport and ensure that fair work conditions and Net Zero ambitions are central to any bid. - Work with partners to stimulate sustainable economic development, including a managed transition to a carbon neutral economy and work in partnership with the academic, business and other relevant sectors to ensure the long-term future of the energy industry. - Seek to buy goods, services and food locally whenever possible, subject to complying with the law and public tendering requirements. - Work with communities to establish trusts, community enterprises, charities or other entities that support community empowerment and community wealth building. - Support people to engage with Community Asset Transfers throughout the process.
<p><u>Aberdeen City Local Outcomes Plan April 2024 Refresh</u></p>	
<p>Prosperous Economy</p> <p>1. 20% reduction in the percentage of people who report they have been worried they would not have enough food to</p>	<p>The activities reflected within this report support the delivery of LOIP Stretch Outcomes 1 and 2 through the following Aims.</p> <p>Outcome 1 Improvement Aims:</p>

<p>eat and/ or not be able to heat their home by 2026.</p> <p>2. 74% employment rate for Aberdeen City by 2026</p>	<p>Increase to 92% the number of homes that meet an EPC rating of C or better by 2026</p> <p>Outcome 2 Improvement Aims:</p> <p>Supporting 100 people to start a business in Aberdeen who will be coming off the benefits system or significantly reducing their benefits through starting a business by 2026</p> <p>Support 40 young parents into training and / or employability provision by 2026.</p> <p>Upskill 50 individuals who are experiencing digital barriers to apply for employment opportunities by 2026</p>
<p>Prosperous People (Children)</p> <p>6. 95% of children, including those living in our priority neighbourhoods, will sustain a positive destination on leaving school by 2026</p> <p>8. 100% of our children with Additional Support Needs/Disability will experience a positive destination by 2026</p>	<p>The delivery of services referred to within this report supports each of the Children & Young People Stretch Outcomes 6 and 8 in the LOIP.</p> <p>Outcome 6 Improvement Aims</p> <p>Increase by 10% the rate of completion of NPA/FA/HNC courses available to young people across the city by June 2024</p> <p>Increase the % of learners entering a positive and sustained destination to be ahead of the Virtual Comparator for all groups by 2025.</p> <p>Increase by 20% the number of young people completing courses aligned to support the digital and tech sector by 2026.</p> <p>Outcome 8 Improvement Aims</p> <p>Increase by 5%, the percentage of young people with additional support needs/disability entering a positive destination by 2025.</p>
<p>Prosperous People (Adults)</p> <p>12. Reduce homelessness by 10% and youth homelessness by 6% by 2026</p>	<p>The report reflects on activity which contributes to Stretch Outcome 12</p> <p>Outcome 12 Improvement Aims</p> <p>Integrate housing, employment, employability and mental health support pathways for young people to support prevention of homelessness</p> <p>Increase accessibility to a wider range of housing options to people at risk of homelessness</p>

<p>Prosperous Place</p> <p>13. Addressing climate change by reducing Aberdeen's carbon emissions by at least 61% by 2026 and adapting to the impacts of our changing climate</p> <p>14. Increase sustainable travel: 38% of people walking; 5% of people cycling and wheeling as main mode of travel and a 5% reduction in car miles by 2026.</p> <p>15. 26% of Aberdeen's area will be protected and/or managed for nature and 60% of people report they feel that spaces and buildings are well cared for by 2026</p>	<p>Outcome 13 Improvement Aims</p> <p>Reduce public sector carbon emissions by at least 7% by 2026.</p> <p>To have Community led resilience plans in place for the most vulnerable areas (6) in the City by 2025 and increase by 10% the % of people who know where to find information and resources to help prepare for severe weather events by 2025.</p> <p>Outcome 14 Improvement Aims</p> <p>Increase % of people who walk and wheel as one mode of travel by 5% by 2026</p> <p>Increase % of people who cycle and wheel as one mode of travel by 2% by 2026</p> <p>Reduce car kms by 5% by 2026</p> <p>Outcome 15 Improvement Aims</p> <p>Increase to 65% the proportion of people who feel they can regularly experience good quality natural space by 2026.</p>
<p>Regional and City Strategies</p>	<p>The report reflects outcomes aligned to the Regional Economic Strategy, Local and Regional Transport Strategies and Regional Skills Strategy, along with Local and Strategic Development Plans</p>

9. IMPACT ASSESSMENTS

Assessment	Outcome
Integrated Impact Assessment	No assessment required, I confirm that this has been discussed and agreed with Martin Murchie, Chief Officer, Data Insights (HDRCA), on 29 th June 2025.
Data Protection Impact Assessment	A Data Protection Impact Assessment is not required for this report.
Other	No additional impact assessments have been completed for this report.

10. BACKGROUND PAPERS

COM.24.060 Council Delivery Plan 2024/25, March 2024
CUS.24.043 TOM1.2 Organisational Structure Update, February 2024
CORS.24.232 Performance Management Framework 2024/25, August 2024

11. APPENDICES

12. REPORT AUTHOR CONTACT DETAILS

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FINANCE AND RESOURCES COMMITTEE PERFORMANCE MANAGEMENT FRAMEWORK – APPENDIX A

CITY REGENERATION AND ENVIRONMENT FUNCTION

City Development and Regeneration Cluster

1. Citizen - City Redevelopment and Regeneration

2024/25 Service Standards – City Development and Regeneration Cluster












Service Standard	Annual Status	2024/25 Target
We will maintain accreditation standards for Aberdeen Art Gallery		100%
We will maintain accreditation standards for Museums venues		100%
% of established businesses provided support within 5 working days of an approach to the Business Gateway		100%
% of start-up businesses provided support within 5 working days of an approach to the Business Gateway		100%


Table 1. Corporate Complaints Handling Measures – City Development and Regeneration Cluster

Performance Measure	Quarter 1 2024/25	Quarter 2 2024/25	Quarter 3 2024/25	Quarter 4 2024/25	Annual Status	Target	Long Trend Annual
	Value	Value	Value	Value			
Total No. complaints received (stage 1 and 2) – City Development & Regeneration	0	0	0	1			
% of complaints resolved within timescale stage 1 and 2) – City Development & Regeneration	N/A	N/A	N/A	100%		75%	

Performance Measure	Quarter 1 2024/25	Quarter 2 2024/25	Quarter 3 2024/25	Quarter 4 2024/25	Annual Status	Target	Long Trend Annual
	Value	Value	Value	Value			
% of complaints with at least one point upheld (stage 1 and 2) – City Development & Regeneration	N/A	N/A	N/A	100%			
Total No. of lessons learnt identified (stage 1 and 2) – City Development & Regeneration	N/A	N/A	N/A	0%			

2. Processes - City Development and Regeneration

Table 2. Cluster Level 2024/25 Annual Measure (Local Government Benchmarking Framework)

Performance Indicator	2022/23	2023/24	2024/25	Annual Status	National 2024/25 Value
	Value	Value	Value		
Number of Business Gateway Start-ups per 10,000 of population	18.1	17.1	13.2		12.4

<p>Service Commentary</p> <p>Table 2. Business Start-up Rates</p> <p>In 2024/25, the number of Business Gateway Start-ups per 10,000 of population in Aberdeen was calculated at 13.2, lower than in 2023/24 but higher than the national figure of 12.4 and the city's benchmark Family Group Average (9.9)</p> <p>This encompassed a total of 300 start-ups in contrast to 398 in 2023/24. This trend pattern of reduced levels of business start-ups is prevalent across Urban Local Authorities, with the exception of Dundee City which showed a marginal increase in the proportion of start-ups, whilst those in other Rural and less urban geographies generally made gains in their Family Group Averages.</p> <p>In 2024/25, to encourage and support business start-ups, ACC offered business start-up grants funded by the UK Shared Prosperity Fund. Grants of £1,000 (for home-based businesses) or £3,000 (for those taking on rateable commercial premise) within the city boundary were available to applicants engaged with a Business Gateway advisor. 167 start-ups were supported through the grant scheme, more than half of the start-ups engaging through the Gateway. The same offering is available in 2025/26.</p>

The most recent 2025/26 monthly datasets show Aberdeen City performing significantly above both the national and Family Group figures with a placing just below the upper decile of all Scottish Local Authorities with a start-up monthly rate per 10,000 of population of 1.9, almost double the national figure of 1.0 and in advance of the Family Group rate of 0.8 per 10,000 of population.

Local Context

In 2024/25, the first year of in-house delivery, the Business Gateway service pivoted its priorities to a focus on meeting customer support needs rather than being purely target-driven, so it is assuring that figures for this measure, one of a number of outputs/outcomes from a suite of national evaluation measures relating to Gateway performance, have remained strong compared to the national data

National Context

There has been a long term decline in the number of business start-ups in Scotland, alongside a shift in local authority interventions to focus on supporting business sustainability and growth that, in the longer term, has greater economic impacts for business stakeholders and the wider economy.

It is also worth noting that the increased availability of online supports for start-ups, including those offered through local Business Gateway organisations, means that fewer direct engagements are being recorded in connection with Gateway hubs although these hubs, including the services available to the city, continue to support business through these online services.

Table 3. Service Level Performance Measures – Museums and Galleries, Visits to Museums and Galleries (Statutory Performance Indicators)

Performance Measure	2022/23	2023/24	2024/25	Long Trend – Annual
	Value	Value	Value	
Number of total visits/attendances at museums and galleries	1,339,492	1,380,916	1,373,598	↑
Number of virtual visits/attendances at museums and galleries	1,035,614	1,044,102	1,016,103	↓
Number of visits at museums and galleries that were in person	299,291	330,495	349,357	↑

Service Commentary

Table 3. Museums and Galleries Visits

The data at 2024-25 year-end reflects a strong long term trend in overall visits. Although there has been some year-on-year drop off in Virtual Visits, this loss has almost entirely been counter-balanced by other forms of engagement with the Service with Visits in Person, Enquiries and Events each being at material annual highs

In comparison with 2023/24, Visits in Person, showed raised attendances at the two main sites, (Art Gallery and Museum and Maritime Museum) with the Maritime Museum recording a substantial increase of 16,276 visits which is the largest single driver of overall change in year-on-year outcomes, and the highest for the venue to date. The three smaller venues (Provost Skene's House, Cowdray Hall and Treasure Hub) recorded marginally lower and raised levels of Visits in Person, respectively. In combination, these venues contributed 45,495 visits in 2024-25, in contrast to under 43,000 in 2023-24.

Full Service event and programme highlights from the 2024-25 year is being completed and will be captured in the separate narrative-based Statutory Performance Indicator which will be reported to the next meeting of this Committee but it is worth noting that, for example, over the course of the Scottish Cup final weekend in May of this year, museum venues in combination recorded the highest weekend visit in person figures of any year to date.

*This measure incorporates all visits/attendances generated by Museums and Galleries Service, including Enquiries, Outreach activity and Events which are not included in the separate Visits in Person/Virtual Visits data. During this period, access to both the City Archive and Tolbooth venues was restricted.

3. Staff - City Development and Regeneration

Table 4. Corporate Health and Safety Measures – City Development and Regeneration Cluster












Performance Measure	Quarter 1 2024/25	Quarter 2 2024/25	Quarter 3 2024/25	Quarter 4 2024/25	Annual Status	Long Trend - Annual
	Value	Value	Value	Value		
H&S Employee Reportable by Cluster – City Development & Regeneration	0	0	0	0		
H&S Employee Non-Reportable by Cluster – City Development & Regeneration	1	1	0	0		

Table 5. Corporate Employee Measures – City Development and Regeneration Cluster

Performance Measure	Quarter 1 2024/25	Quarter 2 2024/25	Quarter 3 2024/25	Quarter 4 2024/25	Annual Status	Corporate Average 2024/25	Long Trend - Annual
	Value	Value	Value	Value			
Average number of total working days lost per FTE (12 month rolling figure) – City Development & Regeneration	2.6	2.3	2.8	1.5		4.8	
Establishment actual FTE – City Development & Regeneration	135.0	144.1	143.9	157.0			

4. Finance & Controls – City Development and Regeneration

Table 6. Corporate Staff Expenditure Measure – City Development and Regeneration Cluster

Performance Measure	Quarter 1 2024/25		Quarter 2 2024/25		Quarter 3 2024/25		Quarter 4 2024/25	
	Value	Status	Value	Status	Value	Status	Value	Status
Staff Expenditure – % spend to full year budget – City Development & Regeneration	31.0%		55.0%		83.9%		113.9%	

Service Commentary

Table 6. Establishment FTE

The City Development & Regeneration Cluster employs a substantial number of staff, particularly in Employability, Business Support and Economic Recovery teams, who are project funded from the Scottish Government and other external funding sources, where the costs involved are claimed retrospectively on a quarterly or annual basis, so timing of these claims (and reimbursement timescales) heavily influences Year-to-Date outcomes.

This pattern of ‘front-loading’ of staff expenditure is one which is prevalent across all local authority economic development functions, the impact of which varies depending on the extent to which these authorities are able to develop ‘additionality’ in their delivery programmes and attract inwards investment from external funding streams in support of this activity.

As at financial period 12, 32 FTE posts were encompassed within the description above which equated to just over 24% of the total Cluster employee profile and budget


The Cluster, on conclusion of the cost re-charging encompassed within the Council’s accounts reconciliation process, (including allocation of payments received after the financial year-end) will deliver a fiscal year end outcome where staff spending will be marginally lower than the 2024/25 budget.

Strategic Place Planning Cluster

5. Citizen – Strategic Place Planning

2024/25 Service Standards – Strategic Place Planning

Table 7. 2024/25 Service Standards – Strategic Place Planning

Service Standard	Annual Status	2024/25 Target
		100%

We will maintain independent Excellent Customer Service accreditation.		
We will, on average, determine householder planning applications within 10 weeks.(YTD*)	✓	100%
We will, on average, determine local non-householder planning applications within 11 weeks.(YTD*)	✓	100%

*National Planning Performance Planning Framework data covering the full 2024/25 fiscal year is not due to be published until October 2025.

Table 8. 2024/25 Service Standards – Building Standards

Service Standard	Annual Status	2024/25 Target
We will respond to building warrant applications within 20 working days (see detail below)	✓	90%
We will respond to building warrant approvals within 10 working days (see detail below)	✓	80%

Table 9. Corporate Complaints Handling Measures – Strategic Place Planning










Performance Measure	Quarter 1 2024/25	Quarter 2 2024/25	Quarter 3 2024/25	Quarter 4 2024/25	Annual Status	2024/25 Target	Long Trend - Annual
	Value	Value	Value	Value			
Total No. complaints received (stage 1 and 2) – Strategic Place Planning	2	1	4	6			↓
% of complaints resolved within timescale stage 1 and 2) – Strategic Place Planning	100%	100%	75%	83.3%	✓	75%	↑
% of complaints with at least one point upheld (stage 1 and 2) – Strategic Place Planning	0%	0%	25%	33.3%			↓
Total No. of lessons learnt identified (stage 1 and 2) – Strategic Place Planning	0	0	0	2			

Table 10. Service Performance Measures – Building Standards

Performance Measure	Quarter 1 2024/25	Quarter 2 2024/25	Quarter 3 2024/25	Quarter 4 2024/25	Status	Long Trend- Annual
	Value	Value	Value	Value		
% of building standards applications responded to within 20 working days	97%	97%	99%	99%		
% of building warrant approvals responded to within 10 working days	92%	85%	83%	89%		

6. Processes – Strategic Place Planning

Table 11. Service Activity Measures – Planning Development Management and Building Standards Applications

Activity Measure	Quarter 1 2024/25	Quarter 2 2024/25	Quarter 3 2024/25	Quarter 4 2024/25	Long Trend- Annual
	Value	Value	Value	Value	
Number of Development Management Applications	322	295	298	270	
Number of Building Standards Applications	366	345	308	357	

Service Commentary

Table 11. Planning and Building Standards Application Activity

Quarter 4 numbers for Planning activity were slightly lower than those recorded in 2023/24. Cumulatively, the number of Development Applications at year-end, was 1,185 (-7.5%) as opposed to 1,283 in 2023/24 and Building Standards activity was virtually identical with 1,376 applications compared to 1,373 in 2023/24.

These figures represent completed and charged application activity only and exclude (a) activity from application receipts which were currently within the processing pipeline as at 31st March and (b) activity related to Pre-Application, Condition and other submissions which amounted to a further 220 application pieces in the course of the year.

7. Staff – Strategic Place Planning

Table 12. Corporate Health and Safety Measures – Strategic Place Planning








Performance Measure	Quarter 1 2024/25	Quarter 2 2024/25	Quarter 3 2024/25	Quarter 4 2024/25	Status	Long Trend - Annual
	Value	Value	Value	Value		
H&S Employee Reportable by Cluster – Strategic Place Planning	0	0	0	0		
H&S Employee Non-Reportable by Cluster – Strategic Place Planning	0	0	0	0		

Table 13. Corporate Employee Measures – Strategic Place Planning

Performance Measure	Quarter 1 2024/25	Quarter 2 2024/25	Quarter 3 2024/25	Quarter 4 2024/25	Annual Status	Corporate Average 2024/25	Long Trend - Annual
	Value	Value	Value	Value			
Average number of total working days lost per FTE (12 month rolling figure) – Strategic Place Planning	1.8	1.9	2.3	3.0		4.8	
Establishment actual FTE – Strategic Place Planning	86.7	86.5	85.8	86.4			

8. Finance & Controls - Strategic Place Planning

Table 14. Corporate Staff Expenditure Measure – Strategic Place Planning







Performance Measure	Quarter 1 2024/25		Quarter 2 2024/25		Quarter 3 2024/25		Quarter 4 2024/25	
	Value	Status	Value	Status	Value	Status	Value	Status
Staff Expenditure – Spend to full year budget – Strategic Place Planning	24.9%		46.1%		69.6%		92.8%	

Table 15. Service Level Performance Measures – Planning and Building Standard Applications

Performance Measure	Quarter 1 2024/25	Quarter 2 2024/25	Quarter 3 2024/25	Quarter 4 2024/25	Annual Status
	Value	Value	Value	Value	
% of budgeted income received from Planning application fees *	20.1%	45.9%	59.6%	92.3%	
% of budgeted income received from Building Warrant fees YTD	21.3%	38.0%	52.1%	75.1%	

Service Commentary

Table 15.

Development Planning

As reflected in the March 2025 report to this Committee, there had been some slowing of income derived from Planning application activity up to the end of the 2024 calendar year. This, at Quarter 4 (fiscal year-end) had shown substantive recovery due to the larger scale and number of applications and timing of income received over the last three months of the year.

*Excludes fees generated from Pre-Application and Conditions processing activity. As at 31st March 2025, the value of this activity was £44.775 from 151 chargeable applications.(220 applications in total), In combination with general Planning Application fees above, this provides for a year-end income stream of £1,125,207 which is 96.1% of the budget line noted above, and within Annual Status tolerances for this measure.

Building Warrants

The number of warrant applications at year-end was similar to that in the prior year (see above), although the income relating to this activity increased from £919,419 in 2023/24 to £1,038,574 in 2024/25,








This represented a shortfall against the budgeted income profile for this activity, which was associated with relatively lower activity levels across the year than had been reasonably expected from patterns in warrant applications (including anticipated economic circumstances) at the point of budget setting.

However, early indications from the 2025/26 year-to-date information are suggestive of a significant increase in the level of income gain against the same period in 2024/25. This would align with budgetary expectations set against the service for the current year which have been raised from £1.44m to £1.52m

Capital Cluster



9.Citizen - Capital

Table 16. Corporate Complaints Handling Measures - Capital

Performance Measure	Quarter 1 2024/25	Quarter 2 2024/25	Quarter 3 2024/25	Quarter 4 2024/25	Annual Status	2024/25 Target	Long Trend – Annual
	Value	Value	Value	Value			
Total No. complaints received (stage 1 and 2) – Capital	5	7	3	6			
% of complaints resolved within timescale stage 1 and 2) – Capital	20%	71.4%	33.3%	66.7%		75%	
% of complaints with at least one point upheld (stage 1 and 2) – Capital	80%	14.3%	66.7%	83.3%			
Total No. of lessons learnt identified (stage 1 and 2) – Capital	0	0	0	5			

<p>Service Commentary</p> <p>Table 16. Complaints</p> <p>The number of complaints received by the Cluster has fallen substantially in 2024/25 with a total of 21 complaints in contrast to 33 in 2023/24. Although the average quarterly trend showed improvement across the four periods of recording, the outcome for resolving complaints within timescale was below the corporate target with a greater proportion of complaints having at least one point upheld.</p> <p>As reflected by the Chief Officer at the meeting of this Committee in March 2025, the Cluster had, from the start of the calendar year, applied a renewed focus on delivering improvement in the proportion of complaints resolved within timescale in particular. This, it is hoped will be more robustly evidenced in future reporting against this measure.</p>
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10. Processes = Capital

Service Standard Measure	Annual Status	2024/25 Target
We will ensure that the scope for the design development and construction of approved programmes/projects is in accordance with specifications required to deliver best value and meet environmental and building quality standards.		100%
We will ensure all capital projects have gate stage reviews completed in accordance with our project management governance protocols.		100%

11. Staff - Capital

Table 17. Corporate Health and Safety Measures - Capital












Performance Measure	Quarter 1 2024/25	Quarter 2 2024/25	Quarter 3 2024/25	Quarter 4 2024/25	Status	Long Trend - Annual
	Value	Value	Value	Value		
H&S Employee Reportable – Capital	0	0	0	0		
H&S Employee Non-Reportable – Capital	0	0	0	0		

Table 19. Corporate Employee Measures – Capital

Performance Measure	Quarter 1 2024/25	Quarter 2 2024/25	Quarter 3 2024/25	Quarter 4 2024/25	Annual Status	Corporate Figure	Long Trend - Annual
	Value	Value	Value	Value			
Average number of total working days lost per FTE (12 month rolling figure) – Capital	0.7	0.8	1.4	1.9		4.8	
Establishment actual FTE – Capital	62.1	59.3	59.6	59.1			

12.Finance & Controls - Capital

Table 20. Corporate Staff Expenditure Measure - Capital

Performance Measure	Quarter 1 2024/25		Quarter 2 2024/25		Quarter 3 2024/25		Quarter 4 2024/25	
	Value	Status	Value	Status	Value	Status	Value	Status
Staff Expenditure – % spend to full year budget – Capital	16.7%		36.2%		53.0%		73.8%	





CORPORATE SERVICES FUNCTION

Governance Cluster

Corporate Measures data for 2024/25 reflect the incorporation of Community Safety, and Protective Services delivery within Governance Cluster structure reporting. This data will not, in some instances, be directly comparable with annual information reported prior to this date and may influence some trend data

13. Citizen - Governance






Table 21. Corporate Complaints Handling Measures – Governance




Performance Measure	Quarter 1 2024/25	Quarter 2 2024/25	Quarter 3 2024/25	Quarter 4 2024/25	Annual Status	2024/25 Target	Long Trend – Annual *
	Value	Value	Value	Value			
Total No. complaints received (stage 1 and 2) – Governance	15	55	25	20			
% of complaints resolved within timescale stage 1 and 2) – Governance	73.3%	85.5%	80.0%	80%		75%	
% of complaints with at least one point upheld (stage 1 and 2) – Governance	33.3%	25.5%	28.0%	15%			
Total No. of lessons learnt identified (stage 1 and 2) – Governance	0	0	0	1			

* Comparative trend information is unavailable for this Cluster as a result of the organisational change outlined above

14 Processes - Governance

Table 22. 2024/25 Service Standards – Governance

Service Standard Measure	Annual Status	2024/25 Target
% of requests for review acknowledged within 14 days (Local Review Body)		100%
% of School Placing and Exclusion hearings held within 28 days of request		100%
% of Civic licensing complaints acknowledged within 24 working hours.		95%
% of Civic licensing complaints investigated within 10 working days		100%
% of Civic Licence Applications determined within 9 months of a valid application		100%

% of Hearings to determine a Premises Licence application or Variation application within 119 days of the last date for representations.		100%
% of Decision Letters for alcohol applications issued within 7 days of Board meeting		100%
Personal Licence issued within 28 days of date of grant		100%

<p>Service Commentary</p> <p>Table 22</p> <p>The Standards above capture outcomes arising from Legal and Democratic service teams delivery, aligning with the previous Governance organisational heading, Service specific Standards and measures for Protective Services delivery are currently reflected in 'parent Committee' reporting to the Communities. Housing and Public Protection Committee.</p>

15.Staff - Governance

Table 23 . Corporate Health and Safety Measures – Governance












Performance Measure	Quarter 1 2024/25	Quarter 2 2024/25	Quarter 3 2024/25	Quarter 4 2024/25	Status	Long Trend - Annual
	Value	Value	Value	Value		
H&S Employee Reportable by Cluster – Governance	0	1	0	0		
H&S Employee Non-Reportable by Cluster – Governance	0	1	1	0		

Table 24. Corporate Employee Measures – Governance Cluster

Performance Measure	Quarter 1 2024/25	Quarter 2 2024/25	Quarter 3 2024/25	Quarter 4 2024/25	Annual Status	Corporate Figure	Long Trend - Annual
	Value	Value	Value	Value			
Average number of total working days lost to absence per FTE (12 month rolling figure) – Governance	6.1	4.1	3.6	4.1		4.8	
Establishment actual FTE – Governance	158.3	158.9	156.2	156.6			

16.Finance and Controls - Governance








.Table 25. Corporate Staff Expenditure Measure - Governance

Performance Measure	Quarter 1 2024/25		Quarter 2 2024/25		Quarter 3 2024/25		Quarter 4 2024/25	
	Value	Status	Value	Value	Value	Status	Value	Status
Staff Expenditure – % spend to budget – Governance	25.9%		46.6%		69.7%		93.2%	

Commercial and Procurement Cluster

17.Citizen- Commercial and Procurement





Table 26. Corporate Complaints Handling Measures – Commercial and Procurement

Performance Measure	Quarter 1 2024/25	Quarter 2 2024/25	Quarter 3 2024/25	Quarter 4 2024/25	Annual Status	2024/25 Target	Long Trend - Annual
	Value	Value	Value	Value			
Total No. complaints received (stage 1 and 2) – Commercial and Procurement	0	1	0	1			
% of complaints resolved within timescale stage 1 and 2) – Commercial and Procurement	NA	100%	NA	100%		75%	
% of complaints with at least one point upheld (stage 1 and 2) – Commercial and Procurement	NA	0%	NA	100%			
Total No. of lessons learnt identified (stage 1 and 2) – Commercial and Procurement	NA	0	NA	0			

18.Processes - Commercial and Procurement

Table 27. 2024/25 Service Standards – Commercial and Procurement

Service Standard	Annual Status	Target
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We will publish Quarterly contract pipelines for each fiscal year online after the Council Budget is set.		100%
We will ensure that all contracts above £50K in value can be tracked to show community, local economic and environmental benefits.		100%
We will ensure that all contracts above £50K have standard clauses to require providers to demonstrate commitments towards carbon reduction and efficiency.		100%
We will provide procurement compliance reports to the Risk Board on a quarterly basis, reporting any exceptions and corrective actions taken.		100%

19. Staff - Commercial and Procurement

Table 28. Corporate Health and Safety Measures – Commercial and Procurement








Performance Measure	Quarter 1 2024/25	Quarter 2 2024/25	Quarter 3 2024/25	Quarter 4 2024/25	Status	Long Trend - Annual
	Value	Value	Value	Value		
H&S Employee Reportable - Commercial and Procurement	0	0	0	0		
H&S Employee Non-Reportable – Commercial and Procurement	0	0	0	0		





Table 29. Corporate Employee Measures – Commercial and Procurement

Performance Measure	Quarter 1 2024/25	Quarter 2 2024/25	Quarter 3 2024/25	Quarter 3 2024/25	Annual Status	Corporate Figure	Long Trend - Annual
	Value	Value	Value	Value			
Average number of total working days lost per FTE (12 month rolling figure) – Commercial and Procurement	1.0	0.3	0.3	0.7		4.8	
Establishment actual FTE – Commercial and Procurement	42.66	43.5	46.1%	44.2%			

20. Finance and Controls - Commercial and Procurement

Table 30. Corporate Staff Expenditure Measure – Commercial and Procurement

Performance Measure	Quarter 1 2024/25	Quarter 2 2024/25	Quarter 3 2024/25	Quarter 4 2024/25
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	Value	Status	Value	Status	Value	Status	Value	Status
Staff Expenditure – % spend to full year budget – Commercial and Procurement	26.5%		53.8%		69.5%		102.1%	

Data Insight (HDRCA) Cluster

21. Citizen – Data Insights

Table 31. Cluster Level 2024/25 Service Standards – Data Insight








Performance Measure	Annual Status	2024/25 Target
% Reported Data Protection incidents receiving an initial response within 24 business hours (weekdays)		100%
We will schedule monthly data forums with Council colleagues and deliver data products in line with timeframes agreed by the Forums.		100%

Table 32. Corporate Complaints Handling Measures – Data Insight Cluster

Performance Measure	Quarter 1 2024/25	Quarter 2 2024/25	Quarter 3 2024/25	Quarter 3 2024/25	Annual Status	2024/25 Target	Long Trend - Annual
	Value	Value	Value	Value			
Total No. complaints received (stage 1 and 2) – Data Insight	0	0	0	0	0		
% of complaints resolved within timescale stage 1 and 2) – Data Insight	NA	NA	NA	NA	NA	75%	
% of complaints with at least one point upheld (stage 1 and 2) – Data Insight	NA	NA	NA	NA	NA		
Total No. of lessons learnt identified (stage 1 and 2) – Data Insight	NA	NA	NA	NA	NA		

22. Processes - Data Insights

Table 33. Service Standards Measure – Data Insight Cluster

Performance Measure	Quarter 1 2024/25	Quarter 2 2024/25	Quarter 3 2024/25	Quarter 4 2024/25	Annual Status	Long Trend - Annual
	Value	Value	Value	Value		
% Reported Data Protection incidents receiving an initial response within 24 business hours (weekdays)	100%	100%	100%	100%		

23, Staff - Data Insights

Table 34. Corporate Health and Safety Measures – Data Insight Cluster








Performance Measure	Quarter 1 2024/25	Quarter 2 2024/25	Quarter 3 2024/25	Quarter 4 2024/25	Status	Long Trend - Annual
	Value	Value	Value	Value		
H&S Employee Reportable by Cluster – Data Insight	0	0	0	0		
H&S Employee Non-Reportable by Cluster – Data Insight	0	0	0	0		

Table 35. Corporate Employee Measures – Data Insight Cluster

Performance Measure	Quarter 1 2024/25	Quarter 2 2024/25	Quarter 3 2024/25	Quarter 4 2024/25	Annual Status	Corporate Figure	Long Trend - Annual
	Value	Value	Value	Value			
Average number of total working days lost per FTE (12 month rolling figure) – Data Insights	3.4	3.4	2.9	2.3		4.8	
Establishment actual FTE – Data Insights	22.4	21.4	23.4	24.2			

Service Commentary

An element of caution requires to be applied around interpretation of the trend data relating to increases in absence data around those services with smaller FTE complements as a minimal number of medium to long term absences can materially affect the average working days lost at Service levels

24. Finance and Controls - Data Insights

Table 36. Corporate Staff Expenditure Measure – Data Insights

Performance Measure	Quarter 1 2024/25		Quarter 2 2024/25		Quarter 3 2024/25		Quarter 4 2024/25	
	Value	Status	Value	Value	Value	Status	Value	Status
Staff Costs - % spend to budget Profile - Data Insights	22.2%		39.5%		63.3%		85.1%	

Finance Cluster

25. Citizen - Finance

Table 37. Corporate Complaints Handling Measures – Finance Cluster

Performance Measure	Quarter 1 2024/25	Quarter 2 2024/25	Quarter 3 2024/25	Quarter 4 2024/25	Annual Status	2024/25 Target	Long Trend - Annual
	Value	Value	Value	Value			
Total No. complaints received (stage 1 and 2) – Finance	1	0	4	5			
% of complaints resolved within timescale stage 1 and 2) – Finance	0%	NA	100%	60%		75%	
% of complaints with at least one point upheld (stage 1 and 2) – Finance	100%	NA	0%	40%			
Total No. of lessons learnt identified (stage 1 and 2) – Finance	1	NA	0	1			

<p>Service Commentary</p> <p>The year-end outcomes for complaints handling showed a small rise in the number of complaints from 7 to 10 complaints, with the proportion of those resolved within timescale (70%) being marginally short of the corporate target, at a similar level to that in 2023/24 (71%)</p>

26. Processes - Finance

Table 38. 2024/25 Service Standards – Finance Cluster

Performance Measure	Annual Status	2024/25 Target
We will provide budget holder meetings across all Council service areas no less than once a quarter (no to be determined based on risk).	✓	100%
We will process care income assessments within 40 days once all relevant information is received from Care Management.	✓	100%
We will pay creditor invoices within 30 days	✓	90%
We will send outstanding debt details to the Sheriff Officer no less than quarterly once our internal collection processes have been exhausted.	✓	100%

Table 39. Service Level Quarterly Performance Measure – Creditor Invoice Payment Processing

Performance Measure	Quarter 1 2024/25	Quarter 2 2024/25	Quarter 3 2024/25	Quarter 4 2024/25	Annual Status	2024/25 Target	Long Trend - Annual
	Value	Value	Value	Value			
Percentage of creditor invoices sampled that were paid within 30 days	94.6%	93.1%	94.2%	91.2%	✓	90%	↑

Table 40. Service Level Annual Performance Measure – Creditor Invoice Payment Processing - (Statutory Performance Indicator)

Performance Measure	2022/23	2023/24	2024/25	Long Trend – Annual
	Value	Value	Value	
Percentage of creditor invoices sampled that were paid within 30 days	87.5%	90.9%	92.2%	↑

<p>Service Commentary – Table 40</p> <p>A continued positive increase in performance in 2024/25 over the previous year (up 1%) is very welcome with the detailed month to month figures showing that in nine of twelve individual months the performance target was exceeded. The aim remains to have payments consistently achieving the target in each monthly period across the entirety of the financial year.</p> <p>Invoice volumes have reduced by 2% due to the ongoing work on the one invoice for suppliers that cover the whole council.</p>
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The staff turnover has remained stable in the last year which has helped the number of invoices being paid on time due to the continuity of experience within the team.

The Service, in collaboration with colleagues in Procurement and D&T are currently working on changing the Cloud to enable more suppliers to submit invoice and register directly into our Finance system to free up time in that area and have one port for all invoices to come into. One bill options have continued to be addressed in 2024/25 and will be rolled out further in collaboration with contract renewals with the procurement team with the aim of addressing demand and processing efficiency.

27. Staff - Finance

Table 41. Corporate Health and Safety Measures – Finance Cluster












Performance Measure	Quarter 1 2024/25	Quarter 2 2024/25	Quarter 3 2024/25	Quarter 4 2024/25	Status	Long Trend - Annual
	Value	Value	Value	Value		
H&S Employee Reportable – Finance	0	0	0	0		
H&S Employee Non-Reportable– Finance	0	0	0	0		

Table 41. Corporate Employee Measures - Finance Cluster

Performance Measure	Quarter 1 2024/25	Quarter 2 2024/25	Quarter 3 2024/25	Quarter 4 2024/25	Annual Status	Corporate Figure	Long Trend - Annual
	Value	Value	Value	Value			
Average number of total working days lost per FTE (12 month rolling figure) – Finance	0.9	0.9	1.1	1.3		4.8	
Establishment actual FTE – Finance	92.1	90.5	93.5	94.4			

28. Finance & Controls - Finance

Table 42. Corporate Staff Expenditure Measure - Finance





Performance Measure	Quarter 1 2024/25		Quarter 2 2024/25		Quarter 3 2024/25		Quarter 4 2024/25	
	Value	Status	Value	Status	Value	Status	Value	Status
Staff Expenditure – % spend to full year budget – Finance	22.9%		44.0%		67.1%		89,4%	

People and Citizen Services Cluster

Corporate Measures data for 2024/25 onwards reflects the full amalgamation of the previous People and Organisational Development and Customer Cluster delivery, and associated data, within the new People and Citizen Services Cluster reporting. This data will not, in some instances, be directly comparable with prior information, and may influence some trend data

29.Citizen – People and Citizen Services


Table 43. Corporate Complaints Handling Measures – People and Citizen Services




Performance Measure	Quarter 1 2024/25	Quarter 2 2024/25	Quarter 3 2024/25	Quarter 4 2024/25	Status	Target	Long Trend - Quarterly
	Value	Value	Value	Value			
Total No. complaints received (stage 1 and 2) – People and Citizen Services	121	97	134	108			
% of complaints resolved within timescale stage 1 and 2) – People and Citizen Services	94.2%	90.7%	94.8%	87.0%		75%	
% of complaints with at least one point upheld (stage 1 and 2) – People and Citizen Services	29.8%	9.3%	40.3%	32.4%			
Total No. of lessons learnt identified (stage 1 and 2) – People and Citizen Services	2	4	6	6			

* Comparative trend information is unavailable for this Cluster as a result of the organisational circumstances outlined above

30.Processes - People and Citizen Services

Table 44. Cluster Level 2024/25 Service Standards – People and Organisational Development Service

Performance Measure	Status	2024/25 Target
We will complete evaluation panels upon receipt of all completed and verified documentation within an average of 15 working days for each individual job, in relation to Job Evaluation.		100%

We will allocate an investigating officer, when required, within 5 days of People services receiving complete paperwork from the commissioning manager.		100%
We will allocate a People Services advisor to formal casework within 5 working days.		100%
People Services will make initial contact with redeployees within 5 working days of redeployment confirmation.		100%

Service Commentary

Table 44. Service Standards

Those Standards and measures relating to citizen services, inc. Protective and Community Safety Services, are presently separately reported through the 'parent' Communities, Housing and Public Protection Committee on a regular basis,

31. Staff - People and Citizen Services

Table 45. Corporate Health and Safety Measures – People and Citizen Services












Performance Measure	Quarter 1 2024/25	Quarter 2 2024/25	Quarter 3 2024/25	Quarter 4 2024/25	Status	Long Trend - Annual
	Value	Value	Value	Value		
H&S Employee Reportable by Cluster – People and Citizen Services	0	0	0	0		
H&S Employee Non-Reportable by Cluster – People and Citizen Services	0	0	0	0		

Table 46. Corporate Employee Measures - People and Citizen Services

Performance Measure	Quarter 1 2024/25	Quarter 2 2024/25	Quarter 3 2024/25	Quarter 4 2024/25	Annual Status	Corporate Figure	Long Trend - Annual
	Value	Value	Value	Value			
Average number of total working days lost per FTE (12 month rolling figure) – People and Citizen Services	4.8	4.1	3.8	4.1		4.8	
Establishment actual FTE – People and Citizen Services	352.7	355.6	356.5	349.6			

32. Finance & Controls - People and Citizen Services

Table 47. Corporate Staff Expenditure Measure – People and Citizen Services

Performance Measure	Quarter 1 2024/25		Quarter 2 2024/25		Quarter 3 2024/25		Quarter 4 2024/25	
	Value	Status	Value	Status	Value	Status	Value	Status
Staff Expenditure – % spend to full year budget profile – People and Citizen Services	23.4%		47.0%		69.0%		92.5%	





FAMILY AND COMMUNITIES FUNCTION

Corporate Landlord Cluster

Corporate Measures data for 2024/25 onwards reflect the full incorporation of Building Services and Facilities Management delivery, and associated data, within Corporate Landlord Cluster reporting. This data will not, in some instances, be directly comparable with prior information and may influence some trend data

33. Citizen – Corporate Landlord

Table 48 . Corporate Complaints Handling Measures – Corporate Landlord Cluster

Performance Measure	Quarter 1 2024/25	Quarter 2 2024/25	Quarter 3 2024/25	Quarter 4 2024/25	Annual Status	Target	Long Trend - Annual
	Value	Value	Value	Value			
Total No. complaints received (stage 1 and 2) – Corporate Landlord	114	99	91	69			
% of complaints resolved within timescale stage 1 and 2) – Corporate Landlord	85.1%	85.9%	67.0%	77.2%		75%	
% of complaints with at least one point upheld (stage 1 and 2) – Corporate Landlord	43.9%	40.4%	36.3%	40.6%			
Total No. of lessons learnt identified (stage 1 and 2) – Corporate Landlord	0	1	1	10			

* Comparative trend information is unavailable for this Cluster as a result of the organisational circumstances outlined above

34. Processes - Corporate Landlord

Table 49. Cluster Level Annual Measures (Statutory Performance Indicators)

Performance Indicator	2022/23	2023/24	2024/25	Annual Status	2024/25 Target
	Value	Value	Value		
The percentage of internal floor area of operational accommodation that is in a satisfactory condition.	92.0%	91.2%	91.3%	✓	90%
The percentage of operational accommodation that is suitable for its current use.	77.4%	76.7%	76.5%	✓	75%
The percentage of council buildings in which all public areas are suitable for and accessible to disabled people	81.6%	82.4%	82.9%	✓	82%

Service Commentary – Table 49.

Condition and Suitability measures are influenced year-on-year by the relative size, and uses made of, the Council's estate, including removal of and additions of premises from the operational estate.

Condition and Suitability of Premises within the Operational Estate

As there have been no new condition or suitability surveys carried out on any properties in the past year, the reported figures in this year's SPI's have not changed significantly, with the only differences being created by a net decrease of two properties in the portfolio. However, the figures remains above the targets for both condition and suitability set last year.

The addition of the new Riverbank School as a new educational asset with a considerably large floor area, has also contributed to the changes in this year's figures. As a new building, this is rated A for both condition and suitability. There are two education buildings within the portfolio which are known to contain Reinforced Autoclaved Aerated Concrete (RAAC) – this is likely to affect their condition rating when they are next surveyed and will be reflected in future SPI reporting.

The asset portfolio will continue to change, making predictions difficult. However, the Property & Estates Strategy identifies a likely decline. Our service standards previously targeted a condition rating of B for all properties; this was reduced in 2024/25 to a C rating. This reflects a static repair and maintenance budget over a number of years and a policy to only undertake essential repairs. Taking all of this into account, the targets set for next year remains at 90% for condition, and 75% for suitability

Accessibility of Council Buildings

The small increase in the percentage of accessible buildings, compared with last year, is due primarily to the opening of one new building which is designed to be fully accessible, whilst two accessible and one inaccessible building have been closed this year. The buildings which are not accessible are predominantly historic or listed buildings which can't be easily upgraded due to budget or statutory constraints. Any improvement works undertaken to improve accessibility will also reflect Net Zero aspirations where possible.

The total number of buildings assessed for accessibility reduced slightly this year to 123 properties. The percentage of accessible buildings remain broadly consistent which is in line with the target. The portfolio will continue to change as the Property & Estates Strategy is implemented, which could have both positive and negative impact on this SPI. It is not yet possible to determine what that impact will be. As such the target for next year remains at 82%.

Any works to the external fabric of a building to improve its accessibility, for example the replacement of access doors, should also improve the thermal performance of the building, contributing to our Net Zero aspirations.

39.Staff - Corporate Landlord

Table 50. Corporate Health and Safety Measures – Corporate Landlord Cluster








Performance Measure	Quarter 1 2024/25	Quarter 2 2024/25	Quarter 3 2024/25	Quarter 4 2024/25	Status	Long Trend - Annual
	Value	Value	Value	Value		
H&S Employee Reportable by Cluster – Corporate Landlord	1	3	3	1		
H&S Employee Non-Reportable by Cluster – Corporate Landlord	6	5	13	10		

Table 51. Corporate Employee Measures – Corporate Landlord Cluster

Performance Measure	Quarter 1 2024/25	Quarter 2 2024/25	Quarter 3 2024/25	Quarter 4 2024/25	Annual Status	Corporate Figure	Long Trend - Annual
	Value	Value	Value	Value			
Average number of total working days lost per FTE (12 month rolling figure) – Corporate Landlord	9.7	7.2	6.0	6.3		4.8	
Establishment actual FTE – Corporate Landlord	962.4	975.6	968.25	966.1			

Service Commentary -Table 51.**Absence**

Incorporation, and retrospective merging, of data relating to Facilities and Building Services which became organisationally aligned with the Corporate Landlord Cluster early in 2024, continues to be developed to provide direct comparability between quarters pre-dating 1st April 2024, and those going forwards. Service level data around these two Services are separately reflected in reporting to the Communities, Housing and Public Protection Committee.

The trend of reducing absence levels for these particular services, as part of on-going improvement work, was reflected in the Performance Management Framework report to the June 2025 meeting of the Communities, Housing and Public Protection Committee, and was previously noted by the Chief Officer Corporate Landlord at the February meeting of this Committee.

40. Finance & Controls - Corporate Landlord**Table 52. Corporate Staff Expenditure Measure – Corporate Landlord**

Performance Measure	Quarter 1 2024/25		Quarter 2 2024/25		Quarter 3 2024/25		Quarter 4 2024/25	
	Value	Status	Value	Status	Value	Status	Value	Status
Staff Expenditure – % spend to full year budget – Corporate Landlord	25.8%	✓	51.9%	✓	77.7%	✓	103.6%	✓

Table 53. Cluster Level Annual Measure (Statutory Performance Indicator)

Performance Indicator	2022/23	2023/24	2024/25	Annual Status	2024/25 Target
	Value	Value	Value		
The required maintenance cost of operational assets per square metre	£132.67	£132.47	£134.13	✓	£130.00

Service Commentary

The overall cost of required maintenance has increased by £1.5m. The overall floor area has increased significantly by 4,555sqm, primarily due to the opening of a new school. The continued decline in condition of many properties has been identified during the condition survey programme and construction inflation has led to increased costs for repairs. Overall, these combined factors have led to a small increase in the overall cost of required maintenance per square metre.








Planned investment figures represent a number of large scale projects which in the longer term will help to improve the overall condition of buildings and impact positively on the figures, although not all of these are likely to be completed within the next year. The target for next year has therefore been kept unchanged at £130 per sqm.

It is important to note that the figures above capture a specific point in time, in terms of the information currently held on required works and likely costs. It is acknowledged that the actual cost of all required works is subject to ongoing survey work, and likely to be significantly higher than the figure shown above.

The C&S Programme will continue to allow for targeted capital spend. This will result in improvements to specific buildings, but buildings not included in the programme will decline. Projects within the capital programme such as refurbishment / improvements for Harlaw Academy, Ferryhill School and the replacement Hazlehead Academy will positively contribute over the next 1 to 3 years.

Appendix Data Notes

- Complaints: Complaints handling data should be viewed in the round across each of the four measures in terms of the performance of individual Clusters against this theme.
- Staff Costs: Staffing costs referred to throughout this Appendix exclude adjustments for the corporate vacancy factor.
- Data Trend Directions: Unless stated to the contrary, Long-Term Data Trends are generated against the average of 3 monthly, quarterly and annual consecutive periods respectively

PI Status		Long Term Data Trends	
	Alert – more than 20% out with target/ benchmarked figure and being actively pursued		Improving/Increasing
	Warning – between 5% and 20% out with target/ benchmarked figure and being monitored		No or Limited Change/Stable
	OK – within limits of target/benchmarked figure		Getting Worse/Decreasing
	Data Only		

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ABERDEEN CITY COUNCIL

COMMITTEE	Finance and Resources
DATE	06 August 2025
EXEMPT	No
CONFIDENTIAL	No
REPORT TITLE	Contributing to Your Care and Support (Adult Social Care (Non-Residential) Charging Policy 25-26.
REPORT NUMBER	ACHSCP/25/180
EXECUTIVE DIRECTOR	Fiona Mitchelhill (Chief Officer, ACHSCP)
CHIEF OFFICER	Claire Wilson (Chief Social Work Officer, ACHSCP)
REPORT AUTHOR	Sarah Gibbon (Transformation Programme Manager)
TERMS OF REFERENCE	2.1.5

1. PURPOSE OF REPORT

- 1.1. The purpose of this report is to present to the Committee a revised Charging Policy for adult non-residential social care services for its approval.

2. RECOMMENDATION

That the Committee:-

- 2.1. Approve the 'Contributing to Your Care and Support – Adult Social Care (Non-Residential) Charging Policy 25-26 and agree that it should be implemented as of 01 April 2026;
- 2.2. Agree that a taper of 67% will continue to be applied to an individual's personal allowance in the application of charges; and
- 2.3. Agree an initial percentage charge on the chargeable elements of an individual budget of 70%, rising 10% each financial year, before reaching an 100% charge in 2029-30.

3. CURRENT SITUATION

- 3.1. This report is presented to the Finance & Resources Committees as the approval of the annual fees and charges relating to the Charging Policy remains with the Local Authority. The relevant fees and charges were approved in the annual budget paper (Schedule of Fees and Charges). The Chief Officer of the Aberdeen City Integration Joint Board has powers delegated from Aberdeen City Council to impose and recover charges in respect of non -residential social care services (and has collaborated and contributed to the revised policy) however, the authority to approve the policy setting out the mechanisms for charging and any eligibility criteria, sits within the remit of this committee.

- 3.2. The current 'Contributing to Your Care and Support' Charging Policy was approved by the Finance and Resource Committee at its [meeting on 07 August 2024](#).
- 3.3. The Charging Policy provides a fair and transparent framework for the application of charges that an individual may be subject to depending on the social care services that they use, their personal circumstances, their income and any assets that they might have.

Individual Budgets & Flexible Delivery of Social Care

- 3.4. The most important change in the area of social care charging is a strategic and legislative move towards 'Individual Budgets'¹. Most local authority areas are now applying this method.
- 3.5. This method removes the need to create charges per service and instead uses actual costs for the different types of support provided and considers the whole cost of the care package for a person. Individual budgets are based on actual cost of service delivery. Current charges are subsidised. This is demonstrated by the difference between the actual cost of services delivered and the current charge for a service in Aberdeen City.
- 3.6. The method then considers what aspects of that package are chargeable and / or non-chargeable² (based on set criteria), and whether they are included in an individual budget. Generally, services which are subject to eligibility criteria are included within an individual budget (for example housing support) and services which are not subject to are not included within an individual budget (for example community alarms)
- 3.7. A charge, or client contribution, is then applied based on the chargeable elements and is subject to financial assessment. The policy at appendix 1 provides details on the chargeable elements and the financial assessment process.
- 3.8. This model is in line with the expectations for flexible delivery of social care under the Social Care (Self-directed support) (Scotland) Act 2013. Elements of this approach are already in place within Aberdeen City, particularly for Self-Directed Support Options 1 (Direct Payment) and 2 (Individual Service Fund).
- 3.9. An illustration of the difference from a client's perspective between the old policy and this new policy, demonstrating the increased simplicity, is included below:

¹ Sometimes referred to interchangeably as 'personal budgets'

² For example, personal care is free in Scotland and therefore not chargeable

2024 Policy ('old' policy)		2025 Policy ('new' policy)	
Community alarm charge	Invoiced annually	Community alarm charge	Invoiced annually
SDS Option 1 Contribution	Paid directly into pre-payment card by the client	Individual budget charge (inclusive of housing support, transport and daycare charge)	one invoice monthly
Housing support charge	Invoiced monthly		
Transport charge	Invoiced monthly		
Daycare charge	Invoiced monthly		

3.10. The move to individual budgets has the potential to affect every individual with a care package which includes chargeable elements in Aberdeen City. Aberdeen City currently delivers 3,100 care packages to 2,800 individuals³.

Subsequent Changes to the Charging Policy

3.11. As a result of the move towards Individual Budgets, a more robust and detailed 'Charging Policy' is required to reflect these commitments. Key changes include:

- a) Amendments to allow move to an individual-budgets approach; and processes outlined by Self-Directed Support Option;
- b) Amendments to charges including moving day opportunities (day care) and transport from flat rate to financially assessed charges, included within an individual budget; and
- c) Inclusion of detail relating to application of charges; financial assessment process and implementation process to provide a more thorough and robust policy with practical use for workers (and the public)

3.12. Approval of this revised Charging Policy will provide a continuation of a fair and transparent charging framework for our social work and finance colleagues to implement consistently. It will also provide the framework for the development work required to operationalise individual budgets, for example how we configure our information systems to support delivery and how we communicate with our clients about the changes.

3.13. The proposed local Policy is underpinned by national strategy and guidance produced by COSLA which is refreshed on an annual basis. As such, the proposed local Policy should also be subject to annual review.

³ However, if standard sheltered housing is removed from these figures, it is 953 packages provided to 833 people.

Decisions for the Committee

- 3.14. A key decision for the committee relates to the agreement of two key elements of the approach to how charges are calculated.

Determining the Personal Allowance Taper

- 3.15. This is a taper which is applied at client level through the financial assessment process. A personal allowance the guaranteed minimum amount of income to cover living costs such as food, clothing and utilities. A taper is then applied to excess income above this allowance to determine an individual contribution to charges.
- 3.16. For Aberdeen City, this is set at 67% of available income. This means an individual will never be charged more than 67% of their available income as a contribution towards the cost of their individual budget.
- 3.17. This paper proposes maintaining the taper at 67%.

Setting the % charge on the chargeable elements of a personal budget

- 3.18. This is applied at individual budget level. In other words, this is the maximum percentage of the cost of the care package (individual budget) which the client is expected to pay. This can be 0% up to 100%.
- 3.19. A decision needs to be made on what this % is set at. Many HSCPs have adopted a 'full cost recovery' approach to apply a 100% charge (often with phased implementation)
- 3.20. This paper proposes that Aberdeen City starts at 70%⁴ and increase gradually (already applied to SDS Options 1 & 2).

Financial Year	% Charge on Chargeable Elements of Individual Budgets
2026-2027	70%
2027-2028	80%
2028-2029	90%
2029-2030	100%

Engagement & Consultation

⁴ This % is already applied to Self-Directed Support Options 1 (direct payment) and 2 (individual service fund)

- 3.21. Development of this revised policy has drawn on existing engagement including:
- Consultation & engagement exercises undertaken developing 2024 policy.
 - ACHSCP Budget Consultation 2025-26
 - ACHSCP Strategic Plan Consultation 2025-26
 - Conversations & feedback during implementation of 2025-26 charge increases.
- 3.22. The consultation and engagement exercises undertaken in developing the 2024 policy ensured that the mitigations involved in the financial assessment process are robust.
- 3.23. The key learning from these exercises demonstrates that there is a general awareness and understanding of the need to apply charges for some social care services, particularly when contributing to services in this way can help to protect the continued delivery of the service.
- 3.24. Feedback also helped to understand fully the complexity of the current charging landscape, with some individuals receiving multiple charges and different billing methods / periods. The move to individual budgets as outlined in this report and the associated policy will streamline this, reducing complexity for individuals.
- 3.25. However, a consistent theme within the feedback shows the need for charges to be applied fairly, and any increases to charges to be applied in a gradual way, with small increases applied year-on-year rather than in one go. This has resulted in the proposal to increase the chargeable element of an individual budget gradually, moving from an initial 70% towards 100% over a number of years.
- 3.26. This paper and policy is presented to the Finance & Resource Committee in August 2025 to allow for the implementation phase to deliver a further robust communications and engagement plan with individuals and service providers to ensure that they are aware of the changes and how it may impact them, before the policy is operational for the new financial year on 01 April 2026.
- 3.27. This revised policy applies to adult non-residential social care services only. It will impact on certain young people as and when they transition to adult social work services. Effective planning and preparation will ensure that these individuals and their families have a positive transition experience and that all known and potential impacts have been highlighted and explained to them. A multi-service working group to help improve the transition experience continues to meet regularly.

4. FINANCIAL IMPLICATIONS

- 4.1. The consistent implementation of this revised Charging Policy should ensure that all eligible adults who use a chargeable non-residential social care service are asked to make a financial contribution (flat rate or assessed amount) towards the cost of providing that service.

- 4.2. There are no direct financial implications arising from the recommendations of this report to the Council's cost base or functions, however there are indirect implications for the financial sustainability of Aberdeen City Health & Social Care Partnership, to which the Council delegate a significant budget to each financial year.
- 4.3. There are no implications for the ACHSCP Budget for 25-26 as the assumed increase in income generation was based on increases to existing charges. For future financial years, application of the charging policy and proposed % of the chargeable elements of the individual budget will increase the income from the non-residential charging policy.

5. LEGAL IMPLICATIONS

- 5.1. The Social Work (Scotland) Act 1968 section 87 provides the statutory authorisation for social care charges to be put in place
- 5.2. Approving the recommendations of this report will help Aberdeen City Council discharge its duties under the Social Care (Self-directed support) (Scotland) Act 2013, relating to the flexible delivery of social care services.

6. ENVIRONMENTAL IMPLICATIONS

- 6.1. There are no direct environmental implications arising from the recommendations of this report.

7. RISK

Category	Risks	Primary Controls/Control Actions to achieve Target Risk Level	*Target Risk Level (L, M or H) *taking into account controls/control actions	*Does Target Risk Level Match Appetite Set?
Compliance	Risk that this revised policy is not fully implemented	Engagement with staff to raise awareness of new revised policy with improved processes.	L	Yes
Operational	As above	As above	L	Yes
Financial	Risk to individuals of the affordability of care Risk to social work income generation	Local policy developed in line with national Guidance. Financial Assessment has significant mitigations in place	L	Yes

8. OUTCOMES

- 8.1. In directly, this will have a positive impact on the Council Delivery plan: The ACHSCP Strategic Plan and ACC's Delivery plan are both evidence based Strategic Plans from Aberdeen City's population needs assessment and has been aligned to the Social Determinants of Health. Health and Social Care, Economic Sustainability, Communities and Housing, Children, Families and Lifelong learning, Neighbourhood and Environment.
- 8.2. “*Implement an Individual Budget approach to the charging of social care*’ was specifically outlined as an enabling action within the commitment to ‘Modernise Our Approach to Service Delivery’ and the strategic priority of ‘Make Best Use of Resources’.

9. IMPACT ASSESSMENTS

Assessment	Outcome
Integrated Impact Assessment	Previous Integrated Impact Assessment relating to the Contributing to Your Care policy has been reviewed and changes made.
Data Protection Impact Assessment	Not required.
Other	Not required.

10. BACKGROUND PAPERS

- 10.1. [COSLA National Strategy & Guidance - Charges Applying to Social Care Support for people at home 25-26](#)
- 10.2. [Finance & Resource Committee Paper 07 August 2024 - Contributing to Your Care and Support – Adult Social Care \(Non-Residential\) Charging Policy - ACHSCP/24/220 \(page 253-266\)](#)

11. APPENDICES

- 11.1. **Appendix 1** – Contributing to Your Care & Support – Adult Social Care (Non-residential) Charging Policy

12. REPORT AUTHOR CONTACT DETAILS

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------	--------------

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Aberdeen City
Health & Social Care
Partnership

A caring partnership

2025

Contributing to your Care and Support

Adult Social Care (Non-residential) Charging Policy: This policy explains how we calculate a person's ability to contribute towards their care and support package.



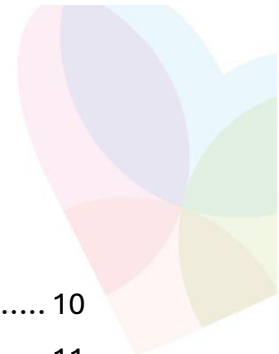


Document Control

Approval Date	06 August 2025
Implementation Date	01 April 2026
Policy Number	POL-AHSCP-0001 (V2)
Policy Author/s and Owner	Author: Amy Richert, Planning & Development Manager; Sarah Gibbon, Transformation Programme Manager Owner: Chief Finance Officer, ACHSCP
Approval Authority	Finance & Resources Committee, Aberdeen City Council
Scheduled Review	Annual
Date and Changes: This version of the policy has substantial updates compared to the previous version of the policy (approved 07 Aug 24). The key changes are: <ol style="list-style-type: none">1. Amendments to support the implementation of individual-budgets approach; and associated processes outlined by Self-Directed Support Option2. Amendments to charges including moving day opportunities (day care) and transport from flat rate to financially assessed charges, included within an individual budget. This is in line with COSLA guidance and mitigates risks associated with move to charging based on actual cost.3. Inclusion of detail relating to application of charges; financial assessment process and implementation process to provide a more thorough and robust policy with practical use for workers (and the public)	

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1. About this policy and why it is needed

- 1.1 The Aberdeen City Integration Joint Board (Integration Authority) and Aberdeen City Health and Social Care Partnership (who deliver the services) aim to support people to live at home independently and safely for as long as possible. Social care support is any social work funded support which enables a person to meet an eligible need.
- 1.2 Local Authorities are required to provide some social care support services without a charge (free personal care and Carers support). Local Authorities have the power to charge for other support where this is required within the context of financial and demographic pressures.
- 1.3 Any additional income raised from charging for services with the aim to improve the quality or scope of social care support services is balanced against the impact on the quality of life for those who are charged. To enable ACHSCP to continue to provide support to adults, with a range of care and support needs, in Aberdeen, a charging policy is required.
- 1.4 This policy explains the basis and types of charging that an individual may be subject to depending on their personal circumstances, which vary depending on age, income, and assets and which social care support they access.
- 1.5 This policy provides an overview of how charges are applied. This includes the legal basis for charging, how charges are calculated and applied, how calculations are undertaken, how to pay and how to appeal.
- 1.6 This policy has been developed in accordance with [COSLA charging guidance](#) in order to maximise consistency of charging across Scotland. The COSLA guidance recognises the need for consistency and a policy which reflects local needs and democratically determined priorities.
- 1.7 At the heart of this policy lies a recognition that social care support is essential for many people to live fulfilling and quality lives. The role of the Local Authority and the Integration Authority is to create an enabling environment so that people who use social care support and their carers can fulfil their right to participate in society and are supported to live independently, with control, freedom, choice, and dignity. [Self-directed Support \(SDS\)](#), people's right to direct their own social care support, is the mechanism to deliver social care support in Scotland.



- 1.8 In developing this policy, ACHSCP promote a human rights-based approach, drawing on the PANEL principles¹:

- Participation:** In the development of charging policies by the people who will be affected by them, using co-production methods to develop an honest dialogue about the rationale for charging and how it is implemented.
- Accountability:** For the charging policy – including decisions around whether to charge, public reporting, transparency, the contribution of income from charging to the range and quality of social care and support available to the local population, and the financial impact to existing users. Accountability also includes access to a process to appeal the charges.
- Non-discrimination and equality:** In the way that charges are determined and applied. This includes ensuring that charging policies have been subject to an Equality Impact Assessment. Charging policies should demonstrate that they have taken account of the circumstances of the people who are subject to it, including where a person may experience financial hardship or disability related expenditure.
- Empowerment:** Of individuals to ensure that they can engage in the development of local charging policies and fulfil their human rights. To ensure individuals are fully aware of, and understand the rationale, for charges being applied and how they are calculated.
- Legality:** To ensure the full range of legally protected human rights are respected, protected, and fulfilled in all decisions made. Where the person disagrees with the decision, they have the right to seek remedy through an effective complaint and appeal procedure.

- 1.8. The charging policy provides a framework to describe which social care charges will be deemed as requiring either a flat payment or a contribution based upon income.
- 1.9. This policy has a model of charging which means that contribution is required per session of support per service. This means that an individual may have a mixture of both flat and means tested charges which they are invoiced for. The individual budget is the starting point for the calculation of the contribution

¹ [Human Rights Based Approach | Scottish Human Rights Commission](#)



individuals will be asked to make towards the cost of their care. Not all the chargeable services are included in individual budgets and not all form part of the financial assessment for charging. Social work staff will offer benefit checks and financial signposting through the process to ensure equity.

2. Policy Background & Context

- 2.1. The services received by an individual will always be based on their assessed needs and agreed outcomes. This is reviewed against eligibility criteria which outline the conditions and circumstances which allow access to funded social care support.
- 2.2. Implemented in 2014, self-directed support is the method of delivering social care to all those who are assessed as requiring it:

“[Self-directed Support] or SDS is ‘the way that care and support is delivered, making the principles of choice and control central to care and support, and giving individuals full opportunity to take control of their support and their lives.’^[12] SDS is therefore about how a support plan is put into action so that children, adults and their guardians or carers receive the help they need to meet agreed personal outcomes.”

(Social Care (Self-directed Support) (Scotland) Act 2013: statutory guidance, 2022)

- 2.3. Practitioners will work with individuals to identify the services they require to meet their needs. The total cost of the care and support identified in an individual’s Support Plan is called an Individual Budget.

3. Policy Scope Statement

3.1. Chargeable Services

- 3.1.1. Some services cannot be charged for. The Community Care and Health (Scotland) Act 2002 sets out a list of personal care tasks that may not be charged for by a local authority².

² [Free personal and nursing care: questions and answers - gov.scot](https://www.gov.scot/publications/free-personal-and-nursing-care/questions-and-answers/pages/1.aspx)



- Free personal care (for example support with personal hygiene, mealtimes, immobility problems; medication and general wellbeing) provided when an eligible need has been identified through social work assessment.
- The Carers (Scotland) Act 2016 also means that Carers support where an Adult Carer Support Plan has identified an eligible need cannot be charged for. Aberdeen City's eligibility criteria for Carers support can be found [here](#).

3.1.2. Non-residential social care services provided by the Local Authority to support adults can be split into two main types:

Flat Charges: Flat charges are not means-tested and are applied at the same rate to all individuals, regardless of their means. Flat charges are applied to meal provision in any setting; and community alarms/TEC (Technology enabled care) equipment.

Means-testing (Financial Assessment): Services which are available based on a Social Work assessment which identified an eligible need. Charges for these services are means-tested. Means-testing applies to a range of social care services including housing support in any setting; sessional charges for day care and day opportunity attendance; transport costs any other social care support which is not considered to be non-chargeable.

3.1.3. A financial assessment will be offered to those in receipt of any means-tested services which will determine an individualised contribution to support based on personal and financial circumstances. Some people may choose not to complete a financial assessment. In this circumstance they will be charged the maximum agreed percentage of their chargeable personal budget.

3.2. Exempt Individuals

3.2.1. However, there are a number of individuals in certain categories or circumstance who are exempt from being asked to contribute towards their care and support (see appendix 4 for full list)



4. Application of Charges

- 4.1. The identification of potential charges forms part of the social work assessment processes undertaken by social work staff. Support will be offered to complete financial assessment paperwork when required for means tested services.
- 4.2. Aberdeen City Council process all financial assessments. The confirmation of the outcome of the assessment, including what a person is expected to pay, is provided in writing. Information around criteria for review requests and assessment appeals are outlined in communication provided.
- 4.3. Payment processes will be determined by the Self-Directed Support option chosen by the individual (these are detailed at section 6.2). Where required, support with benefit maximisation and signposting for financial support will be offered.
- 4.4. It is Aberdeen City Council's policy to apply a charge towards the chargeable elements of Individual Budgets. It is important to note that depending on what those services are, the individual's contribution to their care and support will either be an assessed amount or flat rate charges or a combination of these, and therefore individuals may be entitled to financial assistance to help with the cost of these services.
- 4.5. As this is a new way of working for 2026-27, a phased approach will be applied, working towards a charge which recovers 100% of the cost of chargeable elements of an individual budget.

Financial Year	% Charge on Chargeable Elements of Individual Budgets
2026-2027	70%
2027-2028	80%
2028-2029	90%
2029-2030	100%

5. Policy Application: Financial Assistance & Assessment

5.1. Commencing Financial Assessment

Once it has been determined that an individual is:



- a) eligible for a service; and that,
- b) the service is chargeable; and that,
- c) the charge is one that requires a financial assessment to determine the level of contribution; and that,
- d) no exemptions apply,

then the individual's level of contribution will be calculated using a process known as a financial assessment.

5.1.1. The form (NR4) required to undertake a financial assessment requests details of an individual's income, assets and expenditure. The social work practitioner or housing keyworker will explain what information is to be gathered and for what purpose. They will be able to explain what happens after the NR3 form has been submitted and the assessment completed, and they will also be able to advise of the individuals or agencies to whom financial information may be disclosed during the assessment process.

5.1.2. Copies of the individual's bank statements, sources of income and capital assets will be required as evidence to ensure that the financial assessment is as comprehensive and as accurate as possible. The allocated Care Manager will ensure that all supporting documentation is provided and supplied to the Finance Team. If an individual has someone with the appropriate Power of Attorney; Guardianship or Appointee-ship in place to manage their financial affairs, they will be contacted to assist with the assessment process.

5.1.3. The financial assessment form is completed by the social work practitioner or housing keyworker, and this is then sent to the Non-Residential Assessment Team within the Finance section of Aberdeen City Council for processing. Information supplied by the individual will be verified with the Department of Work and Pension (DWP) or Social Security Scotland as appropriate. Any refusal to approve this verification may result in the individual paying for the full cost of their care and support.

5.1.4. During the financial assessment, consideration will be given as to whether an individual should be referred to the Council's Financial Inclusion Team to ensure that they are in receipt of all of the appropriate welfare benefits that they are entitled to - this referral will only be done with the individual's consent.



5.2. Determining Personal Allowance (Allowable Expenses)

5.2.1. A personal allowance is the amount of money that an individual must be left with before a contribution is payable towards care and support services. This is also known as the guaranteed minimum amount of income to cover living costs such as food, clothing and utilities.

5.2.2. The minimum income threshold is aligned to personal allowances set out on an annual basis by the Department of Work and Pensions (DWP). Different allowances and thresholds will apply depending on whether individuals are above or below the state pension³ qualifying age which is date-of-birth dependent (see appendix 3).

5.2.3. A 25% buffer is added to these allowances so that individuals on low incomes are not faced with the possibility of all of their income being taken into account when determining their eligibility for contributing towards their care and support especially when their needs and circumstances may incur additional costs than would otherwise be the case.

5.3. Income Considered and Disregarded

5.3.1. The first step in assessing whether an individual will contribute to their care and support is to consider what income that they have from all sources including net earnings and social security benefits with the exception of mobility component of the Disability Living Allowance, Personal Independence Payment or Adult Disability Payment.

5.3.2. There are some types of income that will not be considered. This is known as disregarded income and some examples include (please note that this is not an exhaustive list)⁴ :

- Housing Benefit (or that element of Universal Credit which covers this)
- War Disablement Pension
- Armed Forces Compensation Scheme payments
- Pensions Savings Credit
- Independent Living Fund (ILF) payments

³ [State Pension Age Timetable](#)).

⁴ Reference material: [COSLA Charging Guidance](#). This is noted in Section 6 and its relevant annexures.



- Carers Allowance/Carers Support Payment
- Disability Living Allowance/Personal Independence Payment/Adult Disability Payment mobility components.
- Council Tax Benefit

5.3.3. If an individual is in receipt of earned income, then their net earnings will be taken into account. In addition, a minimum earnings disregard of £20 per week will be applied.

5.3.4. Income derived from all benefits paid on behalf of dependent children will be disregarded.

5.3.5. Where an individual has debts, these are not an allowable deduction however priority debts⁵ can form the basis of a request to waive any contribution.

5.3.6. If the individual is married or living with a partner then any joint bank accounts, investments or savings will be divided equally between the joint owners and only the individual's share will be taken into account. In addition, half of the rent or mortgage, council tax, board and lodgings, property insurance will be allocated as allowances. The income or assets of any other persons in the household/family is not taken into account.

5.4. Capital Considered and Disregarded

5.4.1. There are several discretionary capital payments that should be disregarded from the assessment of an individual's capital. These discretionary payments include⁶:

- Statutory Redress Scheme and Advance Payment Scheme– Survivors of Historical Child Abuse
- Future Pathways – Discretionary Fund
- Thalidomide Trust
- Child Disability Payment (CDP) and Short-Term Assistance (STA)
- Scottish Infected Blood Scheme (SIBSS) (and equivalent UK schemes e.g. England Infected Blood Support Scheme)

⁵ Priority debts mean you could lose your home, have your energy supply cut off, lose essential goods, or go to prison if you don't pay. They include things like rent and mortgage; gas & electricity; council tax; or court fines. For further information : [Making a plan to pay your debts - Citizens Advice](#)

⁶ Reference material: [COSLA Charging Guidance](#). This is noted in Section 6 and its relevant annexures ©



- Victims Payment Regulations 2020
- Redress Board (Northern Ireland)
- Payment Scheme for Former British Child Migrants
- Windrush Compensation Scheme
- UK Energy Bills Support Scheme
- Homes for Ukraine Payments

5.4.2. Disregarding these capital payments will ensure that the individual receiving the payments receives the full benefit of the capital payments and they are not used to pay for social care support.

5.4.3. There are specific household costs which may be deducted from income before a contribution is assessed, including: rent (including Factors fees in flatted properties); council tax (including water and sewerage costs); mortgage interest payments; property premiums; and life assurance premiums.

5.4.4. If a person is paying a higher rate for any of these costs due to a recouping arrangement for arrears, only the normal rate that they should be paying will be factored into the financial assessment.

5.5. Tariff Income

5.5.1. If an individual has significant capital, then a notional income from the total value of these assets is calculated and included in the financial assessment - this is known as tariff income. Types of capital may include but not limited to property; national savings certificates; premium bonds; stocks and shares; individual savings accounts; personal equity plans; and savings held in building society and bank accounts.

5.5.2. The value of the property where an individual lives is not normally considered unless income is received from a leasing arrangement. The value of any other property that the individual owns will be wholly included.

5.5.3. Should the individual relocate to somewhere else (for example Sheltered Housing), leaving a relative residing in the property, then the value of that property will not be considered until such arrangements come to an end.

5.5.4. Should the individual relocate to somewhere else, for example, Sheltered Housing, and there is no other relative left residing in what was the main home,



then this property will not be considered as capital for a period of up to 26 weeks or until it is sold – whichever happens soonest. If the property remains unsold after 26 weeks, then the value of the property will be factored into the financial assessment and the Non-Residential Assessment Team will have the discretion to apply for a Charging Order being put in place for the specified property.

5.5.5. When calculating tariff income, the first £10,000 of capital/savings held by an individual is disregarded. If an individual has between £10,000 and £16,000 then the weekly tariff income will be calculated at £1 for each additional £500 or part thereof, rounded up to the nearest pound. Individuals with capital in excess of £16,000 will be asked to make the maximum contribution.

5.5.6. If an individual has capital in excess of the amount to be disregarded and is in receipt of Income Support, there will be no requirement to calculate the capital tariff contribution as this exercise will have been carried out by the Department of Work & Pensions (DWP) with an appropriate adjustment to the amount of Income Support subsequently paid to the individual.

5.6. Capital Deprivation

5.6.1. Deprivation means that an individual ceases to possess assets or income from assets that would otherwise have been considered for the purposes of the financial assessment. There may be circumstances which suggest that an individual may have intentionally deprived themselves of their capital assets by decreasing these to reduce the level of their contribution towards the cost of the care and support that is provided to them.

5.6.2. If upon investigation, it is found that the individual has intentionally deprived themselves of capital assets to give themselves an advantage from the financial assessment, the value of these will be included in subsequent assessment calculations.

5.7. Disability Related Expenditure (DRE)

5.7.1. Understanding the additional daily costs of living with an illness or disability is essential to ensure charging levels are reasonable and practicable. Failure to take these examples of Disability Related Expenditure into account as part of the financial assessment could result in charging levels which cause financial



hardship and undermine the right of people living with an illness or disability to live independently.

5.7.2. Additional costs may relate to but will not be restricted to: additional heating requirements; energy costs for disability-related equipment; purchase, maintenance and repair of disability related equipment; specialist dietary requirement; specialist clothing; extra washing; and additional bedding.

5.7.3. These additional costs will vary from person to person and so it is not unreasonable to request that appropriate evidence is provided to support their inclusion in the income determination calculations.

5.7.4. More information on Disability Related Expenditure is provided at Appendix 5.

5.8. Calculating the Contribution

5.8.1. Following the determination that an individual's available weekly income is greater than the minimum income threshold, their actual contribution to the cost of their care and support will be calculated.

5.8.2. A taper of 67%⁷ is applied on available weekly income to provide the maximum contribution an individual could be expected to make, regardless of the cost of their care and support. This is known as the individual's 'Net Disposable Income' and the amount will never exceed the cost of their care and support.

6. Policy Application: Following Financial Assessment

6.1. Outcome of Assessment

6.1.1. The outcome of the financial assessment confirming the level of the contribution required will be communicated in writing to the individual by the Non-Residential Assessment Team. A copy of this correspondence will be supplied to the individual's social work practitioner or housing keyworker for their information.

⁷ This optimum figure is derived to minimise the financial disadvantage that some individuals might experience from being asked to contribute to their care and support.



6.1.2. In circumstances where the individual or their legal representatives decline a financial assessment and fail to provide the information requested, they will be charged the full contribution towards the cost of their package of care and support and full costs will be invoiced from the day that the care provision started.

6.2. Payment of Contribution

6.2.1. The payment of assessed contributions towards the cost of social care services will be determined by the SDS option that an individual has chosen. Regardless of the selected option however, contributions are made from the day the care and/or support is provided and invoices, where appropriate, will be raised from that date.

- **For option 1:** Direct Payments, the payment will be made net of the amount of the assessed contribution (i.e. the assessed contribution will be deducted before the payment is made by ACC). This net payment will be paid 4-weekly in advance directly into their payment card account, or the individual's designated bank account, with the expectation that they will pay their contribution into that same account so that they have sufficient funds to pay for the goods and services that they need.
- **For option 2,** where ACHSCP/ACC is managing the individual's budget through SDS option 2, the selected provider will invoice the individual for their assessed contribution and will also submit an invoice for a net payment to the SDS team to enable this to be paid by ACHSCP/ACC. If an Individual Service Fund is being used, the budget will be paid to the 3rd party net of the amount of the assessed contribution.
- **For option 3,** where an individual's care and support is arranged by ACHSCP, they will be invoiced for their assessed contribution on a 4-weekly basis by ACC.
- **For option 4,** where an individual's care and support is arranged using a combination of the above options, allowing for flexibility in how support is managed, payment arrangements will be established on an individual basis to reflect the bespoke arrangements and communicated to the individual via their practitioner.



- 6.2.2. Where the individual chooses to engage with a care provider or other agency whose charges are higher than the amount allowed for in their agreed support plan the individual will be required to pay the additional cost. Before deciding to proceed, the individual should be clear about how this more expensive provision will meet their needs and fulfil their outcomes.
- 6.2.3. An equivalency model is applied to individual budgets. An equivalency model sets a standard approach to the allocation of budgets regardless of SDS option chosen. The level of funding a client will receive will not exceed the cost of the equivalent local authority arranged services.
- 6.2.4. In some cases, it is possible that individuals do not have bank accounts and are disinclined to set these up so that assessed contributions can be paid through direct debit or standing order. The individual's social work practitioner or housing keyworker should liaise with these individuals and appropriate finance colleagues to discuss the most practical arrangements available to resolve such issues.

6.3. Interim Contributions

- 6.3.1. Aberdeen City Council aims to complete a financial assessment within 28 days of receipt from the individual. In circumstances where ACHSCP have been unable to receive verification of financial information within the 28 days, the individual's contribution will be based on the information provided on the financial assessment form.
- 6.3.2. Once verification of financial information has been received any differences will be applied. The contribution will be re-calculated and backdated. Any underpayment will be recovered, and any overpayments will be credited.

6.4. Financial Assessment Review

- 6.4.1. A financial assessment review can be requested under the following circumstances:

- The initial assessment has been carried out in ignorance of, or with a mistake in relation to, a material fact, in which case the new decision takes effect from the date of the decision it replaces (i.e. retrospectively); or,



- There has been a relevant change in the individual's circumstances, in which case the new decision on the financial contribution takes place with effect from the date of the change in circumstance.
- 6.4.2. If a financial assessment review is desired because of a perceived assessment issue, then that review should be requested within one month of the individual being notified of the outcome of their initial financial assessment. A review request following a change(s) in circumstances should be made as soon as possible after the change(s) occurred.
- 6.4.3. The review request should be made directly to the Non-Residential Assessment Team (NonResFinAssessments@aberdeencity.gov.uk) and the individual should provide sufficient explanation and appropriate evidence so that a comprehensive review of their initial financial assessment can be undertaken.
- 6.4.4. The outcome of any financial assessment review that is undertaken will be communicated to the individual in writing by the Non-Residential Assessment Team and to the individual's social work practitioner or housing keyworker within four weeks from the date that the review was requested. If the review outcome is the same outcome as the original assessment, the date from which this applies will remain valid and applicable. If the review was due to a significant change in the individual's circumstances, and this has been correctly assessed, then the review outcome should also apply, but the individual should be signposted to the Financial Inclusion Team.
- 6.5. Financial Assessment Appeal
- 6.5.1. If the individual is dissatisfied with the outcome of their financial assessment review, they can lodge an appeal against this citing one or both of the following grounds:
- The individual believes that not all relevant facts and circumstances have been considered by the initial financial assessment and/or the subsequent assessment review.
 - The individual believes that the initial financial assessment and/or the subsequent assessment review has not been fully and properly undertaken in accordance with this Contributing to Your Care and Support Policy.



- 6.5.2. The appeal should be made by contacting the Non-Residential Assessment Team (NonResFinAssessments@aberdeencity.gov.uk) within one month of the individual being notified of the outcome of their financial assessment review. When making an appeal, the individual should provide sufficient explanation and appropriate evidence so that a comprehensive examination of all relevant facts and decisions can be undertaken.
- 6.5.3. Once an appeal has been submitted, the individual's assessed liability for contribution charges will be placed on hold pending the appeal outcome.
- 6.5.4. The Non-Residential Assessment Team will submit this appeal to the relevant Service Manager who will organise a review panel to consider the case in respect of the submitted grounds of appeal and then make an appropriate adjudication. The Service Manager's decision in respect of the submitted appeal will be final and will be communicated to the individual – and their social work practitioner or housing keyworker - in writing within four weeks from the date that the appeal was submitted.
- 6.5.5. If the appeal decision is in the individual's favour, then this will be backdated to the date of the initial financial assessment or assessment review as appropriate. If, however, the appeal decision is not in the individual's favour then the initial assessment outcome and the date from which it applies shall remain valid and applicable.
- 6.6. Non-Delivery of Care
- 6.6.1. Individual needs and circumstances can change at any time and these changes can have an impact on individual care arrangements and on an individual's contribution liability. Individuals are liable to pay their assessed contribution if the required care and support is, allowing for agreed variations, scheduled for delivery and subsequently received by the individual. If the individual goes into hospital and they are not receiving care and support or agreed variations; and they have advised the relevant provider in advance of this change then they are not liable for their contribution.
- 6.6.2. That said, the following qualifications apply:



- Where applicable, assessed contributions relating to Day Care Opportunities will still be charged even though the individual chooses not to attend allocated sessions as that allocation is a block-booking which other individuals cannot access.
- Charges for Housing Support in Sheltered and Very Sheltered Housing, and for Community Alarm Telecare (with or without the GPS option) are linked to the tenancy/equipment still being in place so the charge will continue during periods of temporary absence. If, however, an individual goes into hospital prior to the end of their tenancy, charges will cease from the date that they gave notice on their tenancy.
- If care or support is arranged but is not able to be delivered, for example if care and support staff are refused entry or by short-notice cancellation for a reason not outlined below, the individual person is still liable for their contribution.
- For planned breaks and /or residential respite, where this is known at the point of agreement of the annual individual budget, the care ordinarily provided during this period will be reduced and reflected in the charge.

6.6.3. Where an individual has selected a care provider or other agency through either Option 1 or 2 and there is a changed circumstance which impacts on their contribution liability then the provider must be advised of this so that they can adjust their invoices accordingly. Similarly, where an Option 3 provider or agency is delivering the required care and there is again a changed circumstance then ACC finance colleagues should be advised so they can adjust their invoices accordingly.

6.7. Waiving of Charges

6.7.1. An individual can make a request for their assessed charges to be waived if they believe that they are not able to pay all or part of the assessed care contribution (for example due to disability related expenditure or financial harm such as theft or fraud). This request should be made to the individual's social work practitioner or housing keyworker and should include evidence, for example bank statements, of the hardship that is being experienced by the payment of these charges.

6.7.2. A contribution towards a package of care and support can only be waived by the Chief Finance Officer(s) of ACHSCP or Aberdeen City Council or delegated officers with appropriate authorisation thresholds. Any invoices already raised



prior to a decision to waive charges will be treated under the debt recovery process with, again, only the Chief Finance Officer(s) of ACC or delegated officers with appropriate authorisation thresholds (ACHSCP Chief Officer) having the authority to write these off.

6.7.3. Each case will be considered on its own merits as to whether the charges should be partly or wholly waived and for what period this waiver should apply. Officers will take a holistic approach and consider the full impact of all prospective charges on the well-being and independence of the individual. This could include consideration of adult support and protection issues.

6.7.4. As mentioned previously (section 5.1.4), the individual may be referred, if they are agreeable, to the Financial Inclusion Team to ensure that they are receiving all the benefits that they are entitled to.

6.7.5. The individual should expect to receive a decision within four weeks of their waiver request being submitted, although this will depend on whether there is a need to contact them to gather more information.

6.7.6. Any decision to waive charges in line with the above will be time-limited and subject to regular review.

6.8. Non-Payment of Contribution

6.8.1. If the individual does not contribute towards their care despite them being assessed as being able to contribute then the ACHSCP Chief Officer reserves the right to pursue them for the sums owed, via the ACC finance teams. Non-payment of a valid, assessed charge will be pursued in accordance with Aberdeen City Council's Service Income Policy. Similarly, non-payment of invoices that have been raised by care providers or other agencies and not paid by the individual may lead to those organisations pursuing the individual for the sums owed to them.

6.9. Change in Financial Circumstances

6.9.1. If an individual experiences a change in financial circumstances, then the change in charging will be applied from the first Monday following date of change.



6.10. Contribution Liability and Death

6.10.1. In the event of the death of an individual, invoices will be raised to an individual's estate as soon as possible, and the Next of Kin or Power of Attorney will be advised of the anticipated final value of these. Some charges are made in advance. Should the liability for these charges cease prior to their scheduled invoice/end date because of the death of the individual, then an appropriate adjustment will be made to the charges payable.

7. Policy Management and Responsibilities

- 7.1. Aberdeen City Integration Joint Board (IJB) in line with Public Bodies (Joint Working) (Scotland) Act 2014 directs Aberdeen City Council and NHS Grampian to provide a number of services.
- 7.2. This policy is the responsibility of the Chief Officer within Aberdeen City Health and Social Care Partnership. The setting of charges is not delegated to the Integration Joint Board and remains a power held by Aberdeen City Council, however the ACHSCP Chief Officer has the powers to impose and recover charges. The charges proposed by the ACHSCP Chief Officer (in collaboration with the Chief Social Work Office and operational teams), before being reviewed by the Chief Finance Officer as part of the annual budget setting process with Aberdeen City Council. The proposed charges are then submitted to Aberdeen City Council for approval.
- 7.3. The policy will be adopted by ACC and ACHSCP staff to inform working practice to ensure that all individuals using services are aware of the potential charges arising from using social care services. Promotion of the completion of financial assessments to ensure compliance and equity from use of policy are encouraged.
- 7.4. The policy requires individuals using means tested services to complete financial assessment forms. This ensures that individuals contribute what they are assessed to afford.
- 7.5. Any non-compliance surrounding policy use should be highlighted to the Chief Finance Officer to action in accordance with the policies and procedures of the employing organisation.



- 7.6. Any feedback or suggestions for improving the policy can be made directly through communication with the ACHSPC Chief Officer. This will be considered as part of regular review of the policy.

Performance

- 7.7. ACC and ACHSCP staff will utilise policy as part of daily operational delivery, using policy consistently by encouraging all individuals in receipt of non-residential care out with free personal care or carer support to complete a financial assessment form.
- 7.8. Demonstration of a consistent approach could be reviewed by a continuous return of financial assessments for processing, in line with services and budgets allocated, and a demonstration that there are the same number of financial assessment as the number of clients (where there is 1 or more chargeable service in their support plan).
- 7.9. Individuals understanding of their requirement to contribute towards care and support costs.
- 7.10. ACHSCP will utilise review of customer complaints along with staff feedback as an opportunity to learn and will review and modify the policy accordingly.

Housekeeping and Maintenance

- 7.11. This policy replaces the Contributing to Your Care and Support – Adult (non-residential) Charging Policy (2024).
- 7.12. The development of this revised policy has resulted in revised financial assessment documentation to support implementation and has developed a more comprehensive form enabling greater opportunity to highlight household costs and disability related expenditure.

Information Management

- 7.13. Any information generated in relation to this policy will be managed in accordance with the Council's Corporate Information Policy and supporting procedures.



7.14. All financial assessment paperwork utilised in determining levels of contribution have appropriate declaration, transparency information and privacy notices.

Communication and Distribution

7.15. This policy will feature on both Aberdeen City Council and Aberdeen City Health and Social Care Partnership websites for public access.

7.16. A communication plan has been developed and will ensure that all social work staff receive an update once the policy has been approved. From a staff access perspective, the policy will then reside on Adult Social Work Teams information with regular reinforcement through Core skills training.

7.17. Animation with voice and text with easy read versions of core themes of the policy have been created and will be displayed on websites of both Aberdeen City Council and ACHSCP as a means of engagement and explanation for individuals and carers.

7.18. A training plan for staff has included revised policy as part of core training to emphasise policy and its application. Additional training to support practical delivery of the policy has been scheduled.

8. Supporting Procedures and Documentation

8.1. This policy adheres to current best practice of co design of policy as presented by COSLA (Convention of Scottish Local Authorities).

8.2. Associated Policies –

8.3. In addition to the Social Work (Scotland) Act (1968) referenced earlier, other relevant legislation includes⁸.

- [Social Work \(Scotland\) Act 1968 Section 87](#)
- [Social Care \(Self-directed Support\) \(Scotland\) Act 2013](#)
- [Mental Health \(Scotland\) Act 1984](#)
- [Mental Health \(Care and Treatment\) \(Scotland\) Act 2003](#)
- [Housing Support Duty – Housing \(Scotland\) Act 1987 as amended.](#)
- [Human Rights Act 1998](#)

⁸ Links last accessed 03.07.2025 ahead of policy publication.



- [Equality Act 2010](#)
- [Community Care and Health \(Scotland\) Act 2002](#)
- [Carers \(Waiving of Charges for Support\) \(Scotland\) Regulations 2014](#)
- [Carers \(Scotland\) Act 2016: statutory guidance - updated July 2021 - gov.scot](#)

8.4. [National Strategy and Guidance in respect of Social Care](#) Charging has been produced by COSLA⁹

8.5. In respect of Equalities and Human Rights, an Integrated Impact Assessment, focusing on protected characteristics as per Equalities Act 2010 act; Socio-Economic factors; human rights and children and young people's rights has been produced to assess the impact of this policy. This policy will be kept under regular review and will be available shortly on Aberdeen City Council's website: [Equality and Human Rights Impact Assessments | Aberdeen City Council](#)

9. Complaints Procedure

9.1. Aberdeen City Health and Social Care Partnership together with Aberdeen City Council are committed to providing a responsive, professional and effective service. If there are circumstances however where individuals are less than satisfied with the manner of our engagement with them or the outcome(s) of that experience then they should be advised that they have the right to complain or comment under our Complaints, Rights and Enquiries (CRE) process.

9.2. Anyone wishing to do this should be referred to the ACHSCP's [Feedback and Complaints](#) procedure or the [Have Your Say](#) page on the Council's website.

⁹ [Social Care Charging Information | COSLA](#)

Appendix 1: Charges, Allowances and Unit Costs for 2025/26

Charges for Aberdeen City Health & Social Care Partnership Services:

Please note that all charges will be reviewed during 2025-26 to reflect the actual cost of delivering the service (i.e. not subsidised). These will be presented to ACC’s Budget Setting meeting for 2026-27 and approved for the implementation of this policy.

Chargeable Service	Financially Assessed	Assessed Amount (AA) or Flat Rate (FR)	Included as Part of Individual Budget or Separate Charge	2025/2026 Charge
Care at Home – Personal Care ¹⁰	No	No charge	Included (no charge applied)	£0.00
Care at Home – Other ¹¹	Yes	AA	Included	£16.55 per hour
Housing Support in Supported Living	Yes	AA	Included	£16.55 per hour
Housing Support in Sheltered Housing (any provider)	Yes	AA	Not included	£16.30 per hour
Housing Support in Very Sheltered Housing (any provider)	Yes	AA	Not included	£44.30 per hour
Day Opportunities (as identified to meet the eligible needs of a service user)	Yes	AA	Included	£20.00 per day £10.00 per ½ day
Day and Home-Based Respite as a part of support to Carers or in response to an emergency	No	No charge	Included (no charge applied)	£0.00

¹⁰ As defined in the [Community Care and Health \(Scotland\) Act 2002](#)

¹¹ Anything considered care at home but is not included as free personal care as defined above.



Overnight/Residential Respite as a part of support to Carers or in response to an emergency	No	No charge	Included (no charge applied) ¹²	£0.00
Transport to and from Day Opportunities	Yes	AA	Included	To be developed (not currently charged)
Training, Skills & Development ¹³	Yes	AA	Included	To be developed (not currently charged)
Community Alarm Telecare	No	FR	Not included	£6.00 per week
GPS Option for Community Alarm Telecare	No	FR	Not included	Per item
Technology Enabled Care ¹⁴	Both	Both	Included	Per item
Meals provided at a Day Centre	No	FR	Not included	£4.80 per meal
Meals provided at Very Sheltered Housing	No	FR	Not included	£4.80 per meal
Meals provided in the community	No	FR	Not included	£4.80 per meal

¹²

¹³ Sometimes referred to as “Social/Educational/Recreational Support” nationally and are interchangeable terms.

¹⁴ Assessment of whether TEC provision is charged, and whether it is financially assessed, is dependent on the reason that the TEC is being provided i.e. to meet a need that would otherwise be free personal care.

Appendix 2: Definitions and understanding this Policy.

TERM	DEFINITION
Capital Deprivation	An individual ceases to possess assets or income from assets that would otherwise have been considered for the purposes of the financial assessment
Disability Related Expenditure	Expenditure an individual would not normally have if they were a non-disabled person or did not have a long-term condition.
Individual Budget	The total cost of the care and support identified in an individual's Support Plan is called an Individual Budget
Integration Authority	<p>Local authorities and health boards are required by law to work together to plan and deliver adult community health and social care services, including services for older people. This new way of working is referred to as 'health and social care integration'.</p> <p>The health board and local authority can delegate to a third body called the Integration Joint Board (IJB) - the body corporate model.</p> <p>Further information</p>
Means Testing	Means testing is a model of assessing how much someone pays as a contribution towards their care based upon their financial circumstances, which would include benefits, income, savings, and assets.
Non-Residential	Non-residential services include all social care supports that are provided in the community to maximise independence and support wellbeing.
Personal Allowance	This is the guaranteed minimum amount of income to cover living costs
Self-Directed Support	<p>What is Self-Directed Support Aberdeen City Council</p> <p>Self-Directed Support (SDS) is how social care is arranged and delivered in Scotland and is intended to support, promote and protect the human rights and independent living of care and support users. It seeks to ensure that the care and support provision is delivered in a way that supports an individual's choice and control, meets their assessed needs and fulfils their desired outcomes.</p>



Appendix 3: DWP Personal Allowances/Charging Thresholds (2025-26)

a) For those below state pension qualifying age

	Income Support - Personal Allowance	Disability Premium	Buffer 25%	Charging Threshold* (weekly)
Single Person	92.05	43.20	33.81	170
Couple	144.65	61.65	51.57	258

b) For those of state pension qualifying age or above.

	Pension Credit - Guarantee Credit	Buffer 25%	Charging Threshold* (weekly)
Single Person	227.10	56.77	284
Couple	346.60	86.65	434

Appendix 4: Exempt Individuals

- People who have a progressive disease that can be expected to cause their death (as evidenced through consultation with a health care professional e.g. BASRiS/SR1/DS1500 forms as appropriate or letter).
- People who have been assessed as requiring the delivery of personal care in their own home.
- People receiving new, intermediate, or additional reablement services in their own home following a one-off hospital discharge for 42 days.
- People with a mental illness whose social care is mandated by a Compulsory Treatment Order under the Mental Health (Care and Treatment) (Scotland) Act 2003.



- People in receipt of Criminal Justice Social Work services, including those who are subject to Compulsion Orders under the Criminal Procedure (Scotland) Act 2003.
- Services for people who are subject to the conditions of a Short Scottish Secure Tenancy (SSST).
- Outreach/Floating Housing Support services to people in receipt of support because of the Housing Support Duty (Scotland) 2012 where the support is likely to last under two years.
- Carers who are eligible, following the development of an Adult Carer Support Plan, for the provision of services to give them a break from their caring roles.
- Children and Young adults potentially up to 26 years old dependent upon their educational and legal status to the point that they transition to adult social work services.

Appendix 5: Disability Related Expenditure Factsheet

What is disability related expenditure (DRE)?

Disability related expenditure is money that you spend on items and services that helps you manage or cope with a disability or a long-term health condition. It is money that we may recognise as an 'outgoing' when we do a financial assessment to find out how much you can afford to pay towards your care.

Thinking about what would be disability related expenditure.

It can be difficult to think about disability related expenditure and what costs relate to your disability and what costs relate to day-to-day life. Try to think about what is different between what you must spend compared to a relative, friend or neighbour who does not have your disability or long-term health condition.

Disability related expenditure costs usually fall into one of these two categories:

1. Specialised items and services: you may use things that are made especially to help with your disability, such as wheelchairs and care support. These items may have additional costs, like repair and insurance.
2. Increased use of non-specialised items and services: you may have to use things more because of your disability, such as transport or heating.



This factsheet sets out our standard or maximum allowances for disability related expenses:

- Costs for disability related services that support the whole household will be shared equally between all adults in the household (unless you have a good reason for us to consider a different way of sharing costs).
- Where a service is made up of different elements, we will only consider costs for the part(s) that meet a disability related need. Hairdressing is a good example - we will allow a claim for the cost of washing your hair if your disability prevents you doing this yourself, but not the cost of cutting/styling as most people must pay for this.
- You must provide bills, invoices and statements to support your claim. If you don't, we will use our discretion to decide if your claim is reasonable.
- Allowances for special equipment needed due to a disability or long-term health condition will be based on the life span of the equipment and either the purchase price you paid or a lower cost alternative that we believe would be reasonable to meet your identified needs.
- If you must pay for maintenance of equipment - we will make an allowance for this in your financial assessment.

Please Note: We won't consider costs incurred for:

- General items or services required for daily living and used by the general population.
- Any item or service met by a payment from a Grant or where another funding source has been provided.
- The difference between the actual cost and a lower cost alternative where we consider it was reasonable for a lower cost alternative.
- Structural or landscaping work (e.g. tree surgery, path laying or re-laying) in gardens or to buildings unless:
 - The work is to help prevent falls (e.g. installing handrails or repairing footpaths) or.
 - The modifications to the garden or building are essential for you to be able to use/store securely a scooter or wheelchair that you need to use, or to provide secure storage for a scooter and the building is used as such. In this case, the amount will be calculated as if the modifications were equipment with a suitable life span applied.

Calculating Disability Related Expenditure

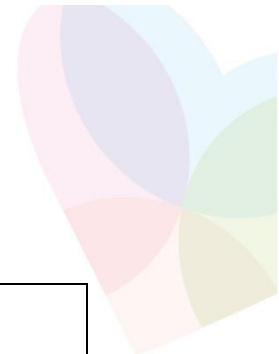
Once DRE has been calculated, it will be deducted from your personal allowance and a final contribution to your services will be calculated.



Disability Related Expenditure

Disability Related Expenditure Item	Example	Evidence Required
Specialist washing powders or laundry	If you have to use a special detergent and do more laundry which exceeds 4 loads per week because of incontinence or risk of infection. A fixed amount of £3.91 per week.	Details required about the number of loads of washing each week detailed in care assessment or support plan.
Specific diet/pureed food	Extra food costs specific to your impairment and not available on the NHS. Only the price difference between a specialist product and a regular item will be considered at our discretion.	Receipts or invoices and needs identified in care assessment or support plan.
Additional clothing and footwear	Such as extreme wear and tear of clothing/ footwear because of your impairment. Permitted costs up to £312 per year.	Receipts of purchases. Need to be identified in care assessment or support plan.
Additional bedding	Such as incontinence but limited to a maximum of £2.50 per week if the cost is in excess of £40 per year	Receipts of purchases. Need to be identified in the care assessment or support plan.
Heating costs	Your heating costs are higher due to your impairment and allowed if the amount is over and above the reasonable fuel bills expected for the size of your property	Bills from your energy provider/ bank statements for a 12-month period.
Purchase and maintenance of equipment	Equipment includes hoists, powered and turning beds, scooter/wheelchair, and stair lifts. For wheelchair and mobility equipment these costs will be allowed net of any Disability Living Allowance (DLA) mobility component received.	Invoices or bills from provider (excluding any Council/NHS/Disabilities Facilities Grant (DFG) funding) and identified in care assessment or support plan.
Transport costs if necessitated by illness or disability¹⁵	Transport costs necessitated by long term health condition or disability including costs of transport to day services, over and above the mobility component of DLA or Personal	Receipts or bills from provider and identified in care assessment or support plan.

¹⁵ (If transport is not provided by Adult Social Care or Health)



	Independence Payment (PIP) if in payment.	
Chiropody	Disability or condition prevents the person doing this. We can consider the actual cost up to a maximum of £3.80 per week or £22.80 every 6 weeks.	More than one invoice or bill from provider to evidence the customer is receiving this service on a 6 weekly basis and not as a 1 off session. Care assessment must identify restricted movement.
Hair Washing	Allowable where the customer is unable to wash own hair and hair wash is not part of the care package. We will consider the actual cost up to a maximum of £8.04 per week.	At least 2 receipts for the service and identified in care assessment or support plan
Other Disability Related Expenses	Other Disability Related Expenses may be allowed with good reason and proof of costs. These will be at the discretion of the Council.	Evidence and receipts of purchase. Evidence of need within care assessment or support plan.



Appendix 6: Worked Examples

Example 1: A 90-year-old woman lives in social housing. She receives 9.25 hours personal care and 7.5 hours home care services. Her income consists of State Pension, Pension Credit Guarantee with Severe disability premium and higher rate Attendance Allowance of £108.55. She receives 7.5 hours per week non-personal care and 9.25 hours of personal care. Personal Care is not chargeable

Calculation	(£ PER WEEK)	
Income		
Retirement Pension	£	168.25
Pension Credit	£	140.50
Attendance Allowance - Lower Rate Considered	£	73.90
Total Income	£	382.65
Allowable Expenditure		
Disability Realted Expenditure		
Council Tax	£	5.65
Income Allowance		
Single Person's Allowance	£	284.00
Total Allowances	£	289.65
Remaining Income	£	93.00
Taper 67%	£	62.31
Ability to pay	£	62.31
Non-Personal Care - 7.5 hrs * £16.55	£	124.13
Total Cost of Chargeable Services	£	124.13
Charge	£	62.31



Example 2: Mr and Mrs A (aged 76 and 77) live in sheltered accommodation. They receive 1-hour non-personal care and 6 hours personal care. Their income is £478.25 made up of Retirement Pension, Pension Credit and Attendance Allowance for both claimants. They receive full Housing Benefit and pay £6.80 in Council Tax.

	MRA	MRS A
Calculation	(£ PER WEEK)	(£ PER WEEK)
Income		
Retirement Pension	£ 200.00	£ 100.00
Pension Credit	£ 59.93	£ 59.93
Attendance Allowance - Lower Rate Considered	£ 29.20	£ 29.20
Total Income	£ 289.13	£ 189.13
Allowable Expenditure		
Disability Related Expenditure		
Council Tax	£ 3.40	£ 3.40
Income Allowance		
Single's Allowance	£ 284.00	£ 284.00
Total Allowances	£ 287.40	£ 287.40
Remaining Income	£ 1.73	£ -
Taper 67%	£ 1.16	
Ability to pay	£ 1.16	
Sheltered Housing £16.30 per week 1 hr @ £16.55	£ 32.85	£ 32.85
Total Cost of Chargeable Services	£ 32.85	£ 32.85
Charge	£ 1.21	£ -



Example 3: A 30-year-old man with learning disabilities lives in social housing. He receives 5 hours personal care and 6 hours home care services (domestic assistance). He is in receipt of Income Support of £90.50 plus DLA Care Component of £72.65 per week. He has part time work from which he earns £50 net per week. He has full Housing Benefit and pays £5.32 in Council Tax.

Calculation	(£ PER WEEK)	
Income		
Income Support	£	90.50
DLA Care Component	£	72.65
Income	£	50.00
Total Income	£	213.15
Allowable Expenditure		
Disability Related Expenditure		
Council Tax	£	5.32
Income Allowance		
Single Person's Allowance	£	170.00
Income Disregard	£	20.00
Total Allowances	£	195.32
Remaining Income	£	17.83
Taper 67%	£	11.95
Ability to pay	£	11.95
Non-Personal Care - 6 hrs * £16.55	£	99.30
Total Cost of Chargeable Services	£	99.30
Charge	£	11.95



Example 4: A 66-year-old woman lives in social housing. She receives 2 hours shopping and laundry visits - non personal care and 6 hours free personal home care services. Her income consists of State Pension and Occupational pension, she is in receipt of higher rate Attendance Allowance of £108.55 and has savings of £20,000. She pays rent of £50.00 per week and council tax of £25.00

Calculation	(£ PER WEEK)	
Income		
Retirement Pension	£	196.50
Pension Credit	£	29.35
Attendance Allowance - Lower Rate Considerated	£	73.90
Total Income	£	299.75
Allowable Expenditure		
Disability Realted Expenditure		
Rent	£	50.00
Council Tax	£	25.00
Income Allowance		
Single Person's Allowance	£	284.00
Total Allowances	£	359.00
Remaining Income	£	-
Taper 67%		
Ability to pay		
Non-Personal Care - 2 hrs * £16.55	£	33.10
Total Cost of Chargeable Services	£	33.10
Charge	£	33.10



Example 5: A 55-year-old woman lives in social housing. She has capital of £55,000. She receives 14 hours non-personal home care services per week, 14 hours personal care and attends day care 2 days per week. As she has capital over £16,000, she will pay the full cost of non-personal care services.

Calculation	(£ PER WEEK)	
Income		
Retirement Pension		
Pension Credit		
Attendance Allowance - Lower Rate Considered		
Total Income		
Allowable Expenditure		
Disability Related Expenditure		
Council Tax		
Income Allowance		
Single Person's Allowance		
Total Allowances		
Remaining Income		
Taper 67%		
Ability to pay		
Non-Personal Care - 14 hrs * £16.55	£	231.70
Total Cost of Chargeable Services	£	231.70
Charge	£	231.70

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ABERDEEN CITY COUNCIL

COMMITTEE	Finance and Resources
DATE	06 August 2025
EXEMPT	No
CONFIDENTIAL	No
REPORT TITLE	Development Plan Scheme 2025
REPORT NUMBER	CR&E/25/174
DIRECTOR	Gale Beattie
CHIEF OFFICER	David Dunne
REPORT AUTHOR	Abigail Burrows
TERMS OF REFERENCE	3.3

1. PURPOSE OF REPORT

- 1.1 This report seeks approval of the second annual update to the Development Plan Scheme for the Aberdeen Local Development Plan 2028.

2. RECOMMENDATION

That the Committee:-

- 2.1 Approve the content of the updated Development Plan Scheme 2025 (Appendix 1) and instruct the Chief Officer – Strategic Place Planning to, subject to any minor drafting changes which he considers necessary, publish it in accordance with relevant legislation.

3. CURRENT SITUATION

- 3.1 A Development Plan Scheme is a document setting out a planning authority's programme for preparing and reviewing their Local Development Plan. Within the Development Plan Scheme a participation statement is required which the Town and Country Planning (Scotland) Act 1997, Section 20B (4) (c), sets out as *'an account of when consultation is likely to take place and with whom and of its likely form and of the steps to be taken to involve the public at large in the stages of preparation or review.'*
- 3.2 The Planning Authority is required to update its Development Plan Scheme every year. The initial Development Plan Scheme for the next Aberdeen Local Development Plan (programmed for adoption in 2028) was approved by the Finance and Resources Committee on 06 July 2023 (COM/23/193). An update to Development Plan Scheme was subsequently approved by the Finance and Resources Committee on 07 August 2024 (CR&E/24/213). The Development Plan Scheme 2025, attached as Appendix 1, represents the second annual update to the initial Development Plan Scheme.
- 3.3 The Development Plan Scheme sets out and explains each stage of preparing the next Local Development Plan. The first stage concerns production of an

Evidence Report, and the Development Plan Scheme outlines how the Planning Service has organised and consulted upon the Evidence Report. At the Council meeting on 03 July 2024 Members instructed the Chief Officer – Strategic Place Planning to (1) carry out engagement to inform the production of the draft Evidence Report and associated documents; (2) carry out a formal consultation on the draft Evidence Report once produced; and (3) report the results of the consultation and finalised Evidence Report back to Council prior to being sent to the Scottish Ministers for Gate Check (CR&E/24/187). The second stage includes the submission of the Evidence Report to the Scottish Government ‘Gate Check’. The Gate Check is an external process undertaken by a Reporter from the Directorate of Planning and Environmental Appeals. Council, at its meeting on 02 July 2025 instructed the Chief Officer – Strategic Place Planning to submit the Evidence Report and appropriate supporting documentation to the Scottish Ministers to satisfy the requirements of the Gate Check process (CR&E/25/165).

- 3.4 The second stage also includes the ‘Call For Ideas’ and ‘Call for Sites’ stages. The ‘Call for Ideas’ stage is aimed at the general public and provides a further opportunity for people and organisations to put forward ideas for inclusion in the next Local Development Plan. The ‘Call for Sites’ is aimed at developers / landowners to submit sites that they believe should be allocated for development in the next Local Development Plan. The Call for Ideas has already been informed by the results of the ‘Your Place, Your Plan, Your Future’ engagement and will build upon these results.
- 3.5 The Town and Country Planning (Development Planning) (Scotland) Regulations 2023, Regulation 22 (2), states that if the timetable included in a Development Plan Scheme for a Local Development Plan differs from that identified within its previous Development Plan Scheme, the Local Authority must identify these changes and set out the reasons for them.
- 3.6 The timeline for delivery of the Local Development Plan 2028, as outlined in the Development Plan Scheme 2025, has been amended. This is due to an extension afforded to the ‘Call for Sites’ stage in the production of the next Local Development Plan. In the previous iteration of the report; the Development Plan Scheme 2024, the Call for Sites stage was anticipated to be completed within Q2 2025/26. However, a 12-week consultation period has been incorporated into this year’s timetable to ensure that sufficient time is given for submissions to be made. This was decided due to feedback received from the development industry to ensure they have sufficient time to prepare submissions. This extension does not impact any other stages within the overall timetable, and subsequent stages will commence as predicted in the previous Development Plan Scheme timetable. Overall, the intended adoption date for the new Local Development Plan remains unchanged at circa Q1 2028/29 (Apr-Jun 2028). This is in line with Scottish Government expectations for all local authorities to have a new style Local Development Plan in place by May 2028.
- 3.7 There are also minor amendments to the Development Plan Scheme 2025 which outline the progress that has been made since the publication of the Development Plan Scheme 2024. These amendments include updates regarding the completion of Stage One in the production of the new Local

Development Plan - the Evidence Report. This includes more detail outlining how the Evidence Report was written, and an overview of the consultation process. Further detail has also been added to outline the proceeding steps that will take place in order to progress Stages Two and Three in the production of the next Local Development Plan. Finally, the Development Plan Scheme 2025 also captures the Council's updated platform for engagement, which is now channelled through CommonPlace.

4. FINANCIAL IMPLICATIONS

- 4.1 The cost of preparing the Development Plan Scheme and the Local Development Plan will be met through existing budgets.

5. LEGAL IMPLICATIONS

- 5.1 The Town and Country Planning (Scotland) Act 1997, Section 20B (2) (b), requires that a Development Plan Scheme is to be prepared by each planning authority within one year after last preparing such a scheme. The last Development Plan Scheme was published just under one year ago, and the proposed Development Plan Scheme 2025 therefore complies with this requirement.

6. ENVIRONMENTAL IMPLICATIONS

- 6.1 There are no significant environmental implications with regards to the Development Plan Scheme. The Local Development Plan itself will be subject to Strategic Environmental Assessment.

7. RISK

Category	Risks	Primary Controls/Control Actions to achieve Target Risk Level	*Target Risk Level (L, M or H) *taking into account controls/control actions	*Does Target Risk Level Match Appetite Set?
Strategic Risk	If the Development Plan Scheme is not timeously adopted then a new plan process will be undertaken without the publication of a document that sets out the processes and methods of engagement.	Approve the updated Development Plan Scheme in order for the Council to comply with legislation.	L	Yes
Compliance	Ensuring that the Development Plan Scheme can be	Approve the updated Development	L	Yes

	adopted at the earliest opportunity in order to comply with the Planning (Scotland) Act 2019.	Plan Scheme in order for the Council to comply with legislation in a timeous manner.		
Operational	Ensuring that the Development Plan Scheme can be timeously published in order to support the new plan process.	Approve the updated Development Plan Scheme in order for the Council to comply with legislation in a timeous manner which allows for the smooth and transparent operation of the new local development plan process.	L	Yes
Financial	It is important that the planning authority complies with legislation and publishes a Development Plan Scheme in a timeous manner otherwise it leaves the Council open to complaint and possible legal challenge in the future with respect to whether proposed consultation has been sufficiently set out in advance.	Approve the updated Development Plan Scheme in order for the Council to comply with legislation in a timeous manner which allows for the smooth and transparent operation of the new Local Development Plan process.	L	Yes
Reputational	The planning authority has consistently published a Development Plan Scheme each year to allow for clarity and transparency of the development plan process. Failure to continue this could	Approve the updated Development Plan Scheme in order for the Council to comply with legislation in a timeous manner which allows for the smooth and	L	Yes

	damage the Council's reputation as a planning authority.	transparent operation of the new local development plan process.		
Environment / Climate	Ensuring that the Development Plan Scheme is in place as it includes provisions for consultation with bodies, groups and individuals who wish to protect the natural environment and reduce carbon emissions.	Approve the updated Development Plan Scheme in order for the Council to comply with legislation in a timeous manner which allows for the smooth and transparent operation of the new local development plan process.	L	Yes

8. OUTCOMES

<u>COUNCIL DELIVERY PLAN 2022-2023</u>	
	Impact of Report
Aberdeen City Council Policy Statement <u>Working in Partnership for Aberdeen</u>	<p>The proposals within this report support the delivery of the following aspects of the policy statement:-</p> <ul style="list-style-type: none"> • Empowering Aberdeen's Communities – the Development Plan Scheme sets out the Council's commitment to working with communities and other stakeholders in the preparation of a new Local Development Plan. This includes collaboration with Community Councils with regards Local Place Plans which may include aspirations of community, wealth building and other community assets. • A Transparent, Accessible and Accountable Council - the Development Plan Scheme sets out in Plain English how we will work with communities to develop the next Local Development Plan.
<u>Aberdeen City Local Outcome Improvement Plan 2016-26</u>	
Prosperous People Stretch Outcomes	The proposals within this report support the delivery of LOIP Stretch Outcome 5 by ensuring that children and young people feel listened to in terms of the

	consultation process in the preparation of a new Local Development Plan.
Regional and City Strategies Local Development Plan	The proposal within this report supports the production of a future Aberdeen Local Development Plan which will eventually replace the Aberdeen Local Development Plan 2023.

9. IMPACT ASSESSMENTS

Assessment	Outcome
Integrated Impact Assessment	Previous Integrated Impact Assessment relating to CR&E/24/213 has been reviewed and changes made.
Data Protection Impact Assessment	Not required.
Other	N/A

10. BACKGROUND PAPERS

10.1 None

11. APPENDICES

Appendix 1 – Development Plan Scheme 2025

12. REPORT AUTHOR CONTACT DETAILS

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ABERDEEN LOCAL DEVELOPMENT PLAN 2028

DEVELOPMENT PLAN SCHEME 2025

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What is a Local Development Plan?

The Local Development Plan is at the heart of the planning system. It sets out policies to guide development and manages spatial land use. The plan sets out the vision and framework for an area and covers a range of topics including housing, placemaking, the economy, infrastructure, community facilities, environmental assets and climate change.

At the time of writing the 2023 Aberdeen Local Development Plan is currently in use.



Figure 1: Image of Aberdeen Local Development Plan 2023 Cover

Current Status of Planning Documents

Strategic Development Plans and Scottish Planning Policy no longer have materiality in the decision-making process. Local Development Plans now sit alongside the National Planning Framework 4 as the core documents which are material to planning decisions. Other plans, strategies and guidance documents are interlinked.

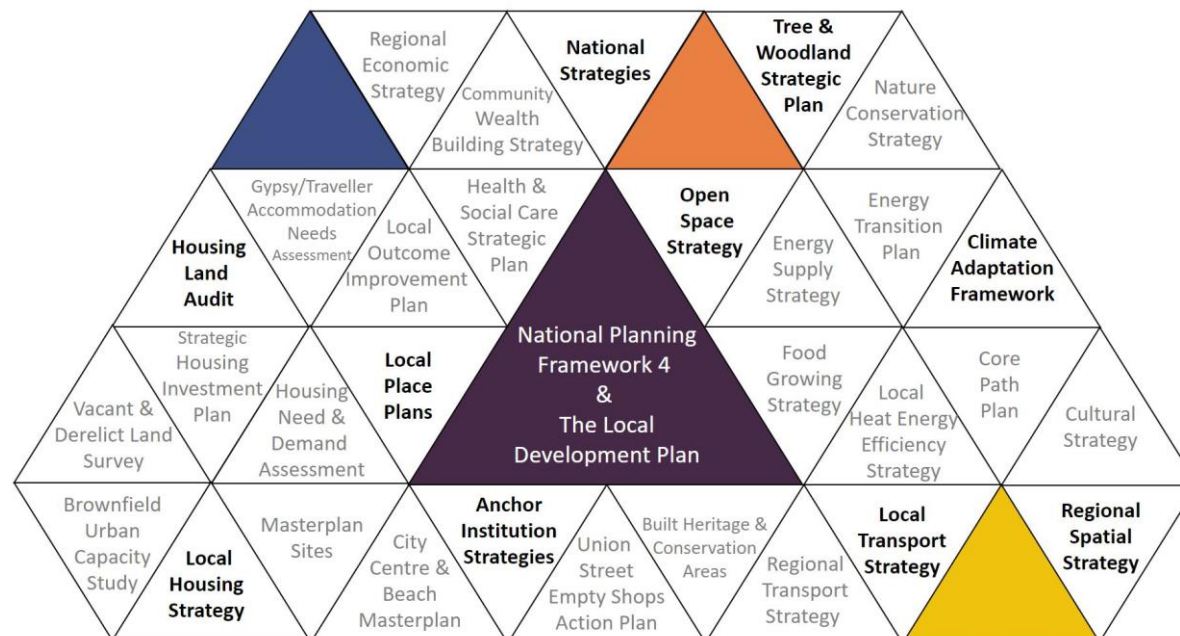


Figure 2: Diagram showing the Local Development Plan and National Planning Framework 4 at the heart of decision making in the planning system.

The Local Development Plan 2023 is accompanied by non-statutory Aberdeen Planning Guidance which offers additional guidance to support its interpretation. There is a single statutory guidance document which outlines Developer Obligations.

What is a Development Plan Scheme?

This document is the Development Plan Scheme. The Planning (Scotland) Act 2019 (the Act) requires all Councils to prepare one at least annually.

As the 2023 Local Development Plan has now been formally adopted, work begins on the preparation of the next Local Development Plan to be adopted in 2028 and this Development Plan Scheme sets out the timetable.

This document provides information on the following issues:

- Why we need to progress a new Local Development Plan (LDP)
- Stages of the new plan process
- The timetable for preparing and adopting the 2028 Plan
- Evidence report contents
- Stages of the evidence report
- The timetable for the evidence report

A Participation Statement is included at the end of the document, and this sets out how consultation and engagement will be undertaken.

Why We Need to Progress a New Local Development Plan

There have been a number of changes to the way in which Local Development Plans are produced since the Scottish Government introduced its planning reform agenda. The current Local Development Plan follows a different process to the Plans that have preceded it. Previously Planning Authorities were required to prepare a new plan every 5 years. The Planning (Scotland) Act 2019 (the Act) now requires plans to be refreshed every 10 years.

The Scottish Government has acknowledged that the transition to the new planning system will have implications for LDP timescales. It expects that every Local Authority will have a new plan developed under the new system within around 5 years of the new development plan regulations, which came into force in 2023.

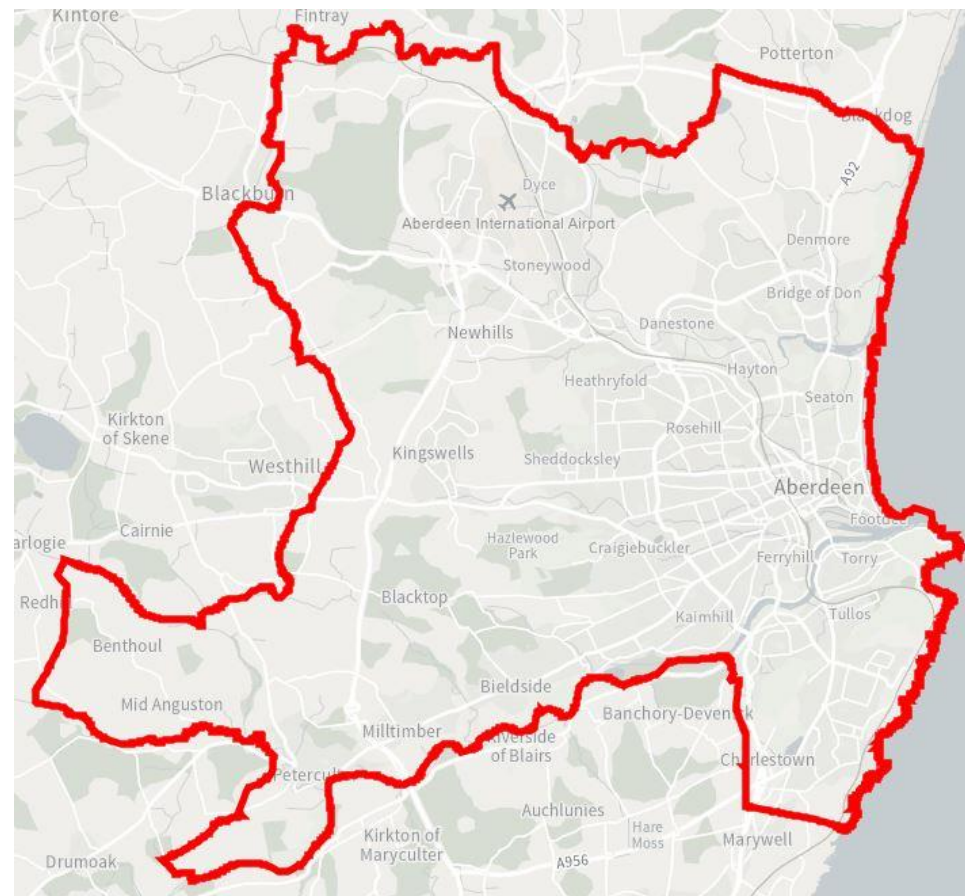


Figure 3: Map illustrating boundary of the Aberdeen City Council area.

Stages of the New Plan Process

The passing of the Planning (Scotland) Act 2019 (the Act) by the Scottish Parliament invoked a number of changes to the way in which Local Development Plans are produced.

- Main Issues Reports are no longer a part of plan making. Instead, an Evidence Report is required to inform the proposed LDP.
- The Evidence Report is subject to a Gate Check examination.
- There will also be a 'Call for Ideas' and 'Call for Sites' to inform the proposed LDP.

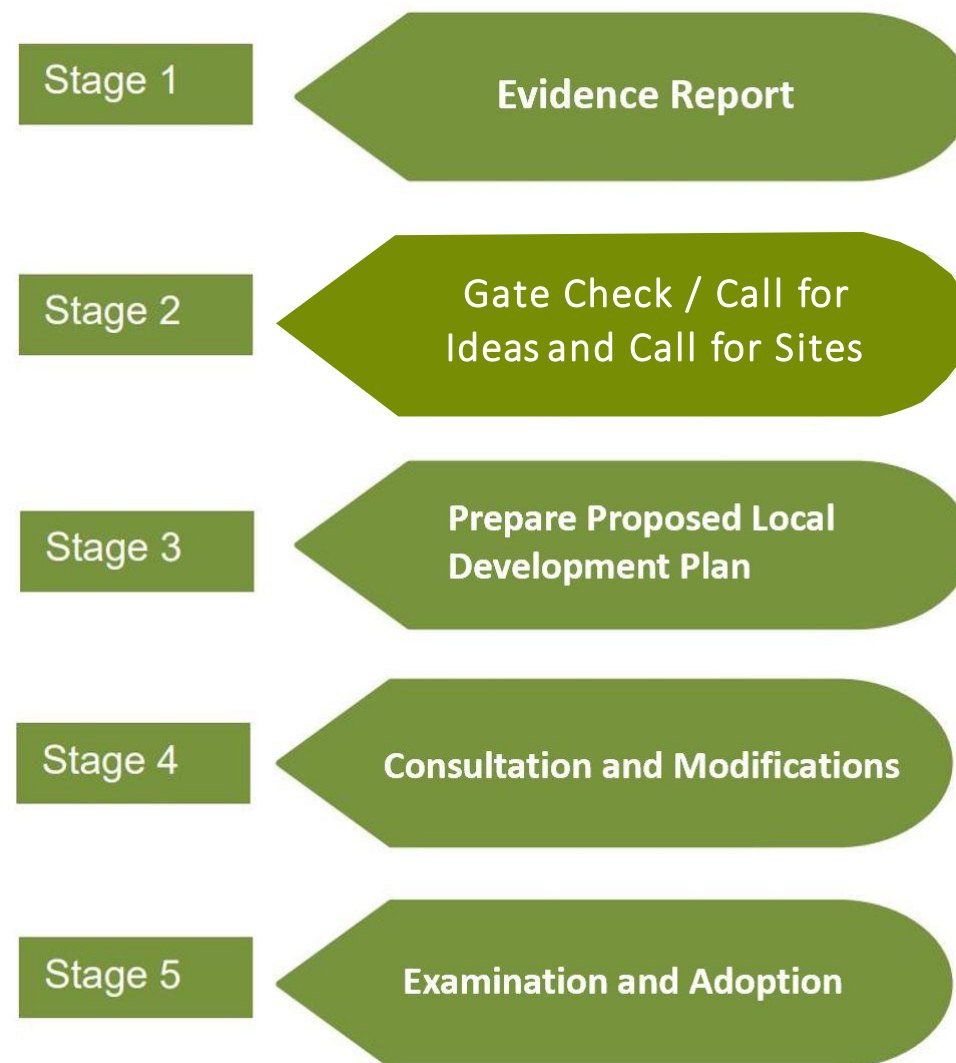


Figure 4: Diagram showing the 5 stages of plan development

Stage 1 Evidence Report: Q2 2024/25 (Jul–Sep ‘24) to Q1 2025/26 (Apr–Jun ‘25)

An Evidence Report is the first formal stage in plan preparation. It is required to set out robust data in order to inform the planning authority on its approach to specific issues prior to a proposed plan which sets out where development should take place. It should include a range of information including research, early engagement and technical reports on a range of topics including;

- economic, cultural and social characteristics of an area
- built heritage, environmental issues, infrastructure
- city demographics
- housing, education and healthcare needs
- site appraisal methodology
- scoping for strategic environmental assessments (SEA)

The Evidence Report must include a statement on the steps the planning authority have taken in preparing the report to seek the views of the public and in particular other specific groups such as disabled persons, gypsy/travellers and children and young people.

The Evidence Report should highlight areas where the authority is aware through consultation that stakeholders agree or disagree with the evidence, and the reasons for this. The aim is to have minimal areas of dispute outstanding when submitting to the Scottish Ministers for the Gate Check to minimise delay.

Stage 2 Gate Check/Call for Ideas: Q2 2025/26 – Q3 2025/26 (Jul–Oct ‘25)

The Evidence Report undergoes a ‘gate check’ examination, undertaken by a Reporter from the Directorate of Planning and Environmental Appeals. The Reporter will ascertain whether the planning authority has adequate information to prepare a proposed Local Development Plan. They will assess the outcomes that are sought from the plan (e.g. housing numbers),

proposed departures from national policy (if relevant), and methods for plan preparation including engagement, alignment with community planning and scope of environmental assessments. In considering any disputes that have arisen from engagement, the Council may be asked to present additional information.

The Scottish Government has set out a 'Call for Ideas' stage to inform the proposed plan. The public would be invited to submit ideas for any aspect of the plan such as proposed policies or development sites. Submissions should support the outcomes from the Evidence Report otherwise there may be no justification for considering them further. Local Place Plans that communities have prepared would ideally be shared with the planning authority by this stage so that they can be considered for integration within the proposed plan.

A Call for Sites will also be undertaken during this period. This will take place for 12 weeks between July and October 2025 to ensure an adequate period of time is afforded for submissions to be made. This was decided due to feedback received from the development industry to ensure they have sufficient time to prepare submissions.

Assessments will be undertaken by the Council on all considered proposals during the analysis of the Call for Ideas stage. For all sites, a Site Assessment and Strategic Environmental Assessment will be undertaken to determine their suitability for the next Plan. An Equalities Assessment will be undertaken to accompany the Proposed Plan.

Stage 3 Preparation of Proposed Local Development Plan: Q3 2025/26 (Oct–Dec '25) to Q2 2026/27 (Jul–Sep '26)

The Proposed Local Development Plan will include proposals that aim to achieve the objectives set out in the Evidence Report. It will identify areas where significant change is required that the planning system can support. It is anticipated that Local Development Plans will have an emphasis on maps, site briefs and masterplans to set out a spatial strategy and they will have minimal wording to reflect the new role of National Planning Framework 4 as a parallel primary document. New sites for development will have to be confirmed as deliverable and free from constraints as far as possible.

Stage 4 Formal Consultation, Summarise Responses and Modifications: Q3 2026/27 (Oct–Dec ‘26) to Q2 2027/28 (Jul–Sep ‘27)

The proposed Local Development Plan and Evidence Report will then be published, and a formal consultation will take place. The Council will decide whether it wishes to make modifications to the Proposed Plan and may publish a Modification Report. The Council will also prepare its response to unresolved issues prior to submission to Scottish Ministers.

Stage 5 Examination and Adoption: Q3 2027/28 (Oct–Dec ‘27) to Q1 2028/29 (Apr–Jun ‘28)

Scottish Ministers will then instruct the Directorate of Planning and Environmental Appeals to conduct an examination of the Proposed Local Development Plan which is expected to take between 6 and 9 months to complete. Aberdeen City Council will then adopt the plan in accordance with any findings of the examination. Only in exceptional cases will there be scope to decline a Reporter’s recommendations.

Other Responsibilities

Other Responsibilities to be undertaken in parallel are as follows:

- Strategic Environmental Assessment (SEA)
- Habitats Regulations Appraisal (HRA)
- Transport Appraisal (DPMTAG)
- Strategic Flood Risk Assessment (SFRA)

All of these Assessments/Appraisals will run from July 2024 to June 2028

A Delivery Programme will also be worked upon in parallel to the preparation of the new plan. The Delivery Programme is required to achieve an outcome-based approach to development planning and will support the delivery of the LDP. The

programme will outline a clear timetable for delivery of sites and proposals by managing the timing of the authority's financial investment and any co-ordination with private or other funding identified as being needed to deliver intended plan outcomes.

Timetable for Preparing and Adopting the 2028 Plan

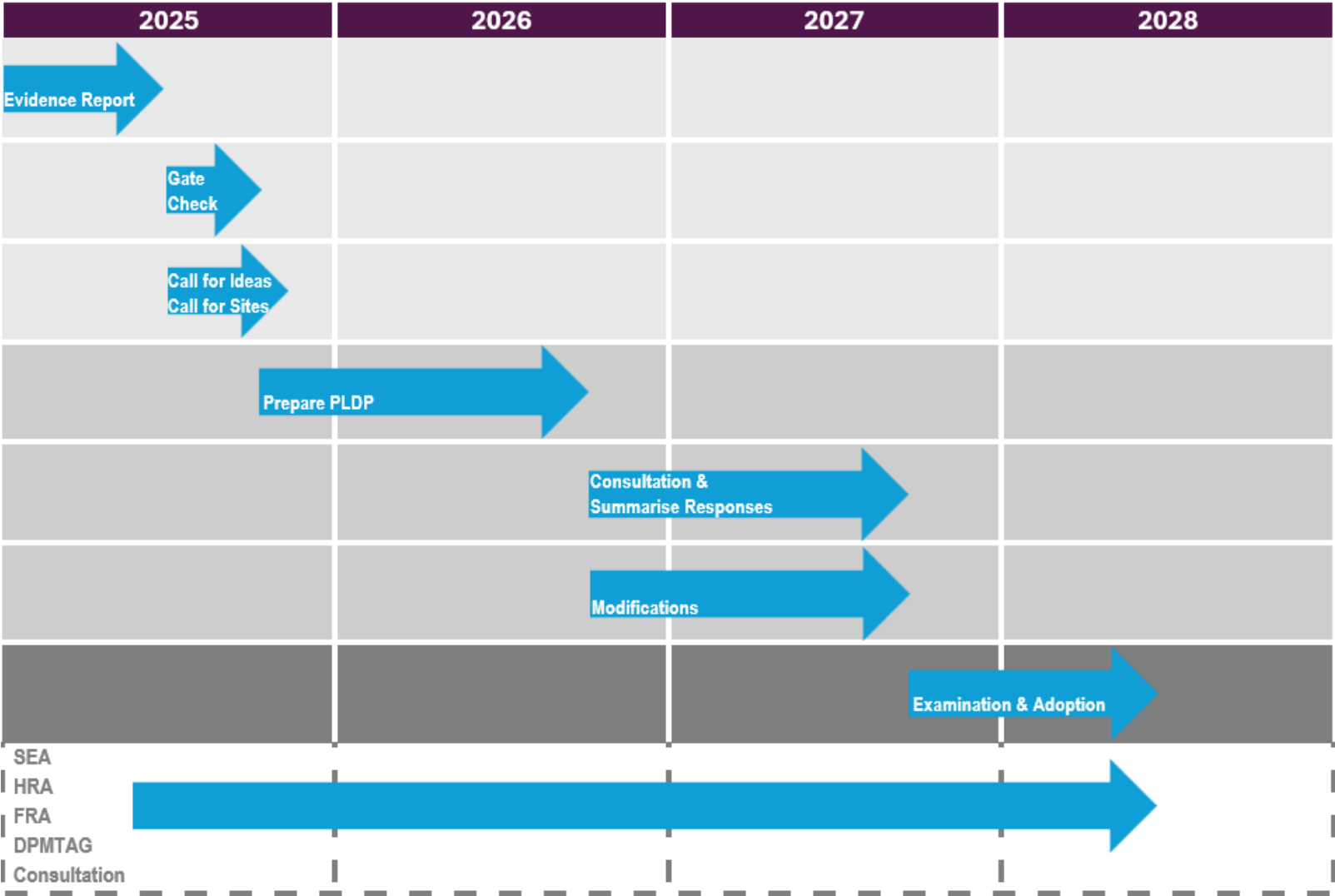


Figure 5: Timeline for Preparing and Adopting the 2028 Local Development Plan

Evidence Report Contents

The new plan process began with the preparation of the Evidence Report. Early drafts of 'Topic Papers' were scrutinised by key agencies and stakeholders before a wider public consultation was undertaken between 24 March and 18 May 2025. The Evidence Report sets out the baseline data available for Aberdeen and identifies any areas where there are gaps in information availability. Areas of dispute that remain unresolved are also outlined. Council, at its meeting on 02 July 2025, agreed the submission of the Evidence Report to Gate Check.

Alignment with National Planning Framework 4 and Local Outcome Improvement Plan

National Planning Framework 4 and the Local Development Plan are now the primary documents by which planning decisions must be assessed in Scotland. Beyond the planning system, Aberdeen City Council's Local Outcome Improvement Plan provides the blueprint for how community planning partners will work with people to improve outcomes for individuals, families and communities in Aberdeen

The Local Development Plan has a role to play in ensuring the outcomes of the Local Outcome Improvement Plan are met. There is some cohesion between the main 3 themes of the National Planning Framework 4 and the Local Outcome Improvement Plan. The next Local Development Plan will also set out 3 main themes which seek to continue this alignment. Definitions are set out for clarity in tables 1 and 2 that follow.

Table 1: Cohesion between themes in the National Planning Framework 4 and the Local Outcome Improvement Plan.

Document	Theme 1	Theme 2	Theme 3
National Planning Framework 4 (NPF4)	Sustainable Places – where we reduce emissions, restore and better connect biodiversity (NPF4 definition)	Liveable Places – where we can all live better, healthier lives (NPF4 definition)	Productive Places – where we have a greener, fairer and more inclusive wellbeing economy (NPF4 definition)
Local Outcome Improvement Plan (LOIP)	Prosperous Place – addressing climate change and the nature crisis (interpreted definition)	Prosperous People – supporting health and wellbeing (interpreted definition)	Prosperous Economy – inclusive economic growth agenda (interpreted definition)

Table 2: The themes and interpretations we have chosen for the forthcoming Local Development Plan.

Document	Theme 1	Theme 2	Theme 3
Local Development Plan (LDP)	Climate Change and Nature Crisis - addressing climate change and restoring nature and biodiversity	Place and People – supporting places that put the health and wellbeing of people first	Equality and Economy – promoting a sustainable and inclusive economy

Table 3 on the next pages sets out the 10 topic groups for the Evidence Report, the NPF4 policy subject papers that each group covers and highlights which of the themes each NPF4 policy focuses upon. **Appendix 1** at the end of this document outlines the LDP content for each of the NPF4 policy subject papers.

Table 3. Topic Groups and NPF4 policy contents (LDP context of policies in Appendix 1)

Topic Group	NPF4 Policies	Themes			NPF4 Theme	Related LOIP Theme/s	Related Topic Paper
1. Spatial Strategy	Green Belt				Sustainable Places	<ul style="list-style-type: none"> Prosperous Place Prosperous People Prosperous Economy 	<ul style="list-style-type: none"> All other Topics
	Brownfield, Vacant & Derelict Land & Empty Buildings				Sustainable Places		
	Coastal Development				Sustainable Places		
	Business & Industry				Productive Places		
2. Delivery of Homes	Quality Homes				Liveable Places	<ul style="list-style-type: none"> Prosperous Place Prosperous People 	<ul style="list-style-type: none"> Spatial Strategy Infrastructure, Transport and Communication Energy and Resources
3. Infrastructure	Infrastructure First				Liveable Places	<ul style="list-style-type: none"> Prosperous Place Prosperous People Prosperous Economy 	<ul style="list-style-type: none"> Spatial Strategy Delivery of Homes Wellbeing of Community
	Blue & Green Infrastructure				Liveable Places		

	Digital Infrastructure				Liveable Places		<ul style="list-style-type: none"> Climate Change, Mitigation and Adaptation Energy and Resources Centres of Businesses and Culture
4. Sustainable Transport	Sustainable Transport				Sustainable Places	<ul style="list-style-type: none"> Prosperous Place Prosperous People Prosperous Economy 	<ul style="list-style-type: none"> Spatial Strategy Delivery of Homes Wellbeing of Community Climate Change, Mitigation and Adaptation Energy and Resources Centres of Business and Culture
5. Climate Change, Mitigation and Adaptation	Climate & Nature Crisis				Sustainable Places	<ul style="list-style-type: none"> Prosperous Place 	<ul style="list-style-type: none"> Spatial Strategy Delivery of Homes Infrastructure, Transport and Communication Nature & Biodiversity Energy and Resources Centres of Business and Culture
	Climate Mitigation & Adaptation				Sustainable Places		
	Flood Risk & Water Management				Liveable Places		
6. Nature & Biodiversity	Biodiversity				Sustainable Places	<ul style="list-style-type: none"> Prosperous Place Prosperous People 	<ul style="list-style-type: none"> Spatial Strategy Infrastructure, Transport and Communication Wellbeing of Community Climate Change, Mitigation and Adaptation
	Natural Places				Sustainable Places		
	Forestry, Woodland & Trees				Sustainable Places		

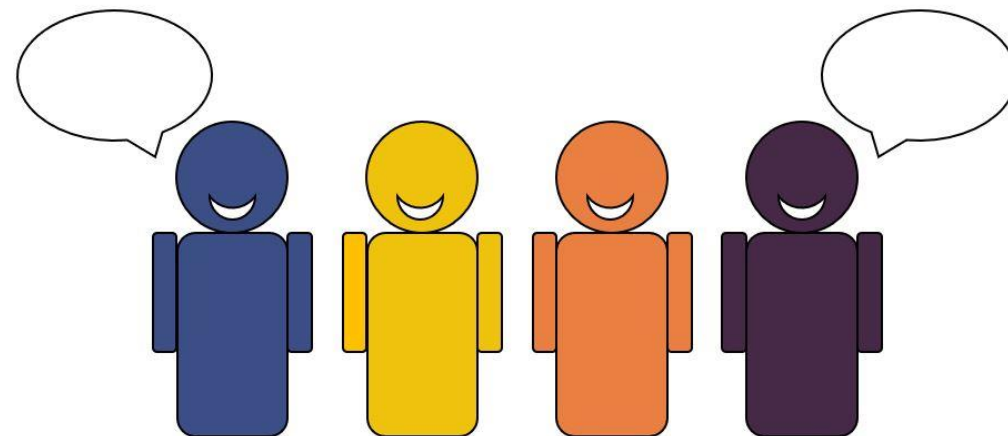
	Soils				Sustainable Places		
7. Energy and Resources	Energy				Sustainable Places	<ul style="list-style-type: none"> • Prosperous Place • Prosperous People • Prosperous Economy 	<ul style="list-style-type: none"> • Spatial Strategy • Delivery of Homes • Wellbeing of Community • Climate Change, Mitigation and Adaptation
	Zero Waste				Sustainable Places		
	Heating & Cooling				Liveable Places		
	Minerals				Productive Places		
8. Centres of Business and Culture	City, Town, Local & Commercial Centres				Productive Places	<ul style="list-style-type: none"> • Prosperous Place • Prosperous People • Prosperous Economy 	<ul style="list-style-type: none"> • Spatial Strategy • Delivery of Homes • Infrastructure, Transport and Communication • Wellbeing of Community • Climate Change, Mitigation and Adaptation
	Retail				Productive Places		
	Tourism				Productive Places		
	Culture & Creativity				Productive Places		
9. Place	Historic Assets and Places				Sustainable Places	<ul style="list-style-type: none"> • Prosperous People • Prosperous Economy 	<ul style="list-style-type: none"> • Spatial Strategy
	Design, Quality & Place				Liveable Places		
	Local Living & 20 Minute				Liveable Places	<ul style="list-style-type: none"> • Prosperous Place • Prosperous People • Prosperous Economy 	<ul style="list-style-type: none"> • Spatial Strategy • Delivery of Homes • Infrastructure, Transport and Communication • Climate Change, Mitigation and Adaptation • Energy and Resources Centres of Business and Culture

10. Wellbeing and Communities	Play, Recreation & Sport				Liveable Places	<ul style="list-style-type: none"> • Prosperous Place • Prosperous People • Prosperous Economy 	<ul style="list-style-type: none"> • Spatial Strategy • Delivery of Homes • Infrastructure, Transport and Communication • Climate Change, Mitigation and Adaptation • Energy and Resources Centres of Business and Culture
	Health & Safety				Liveable Places		
	Community Wealth Building				Productive Places		

Stage 1: Evidence Report

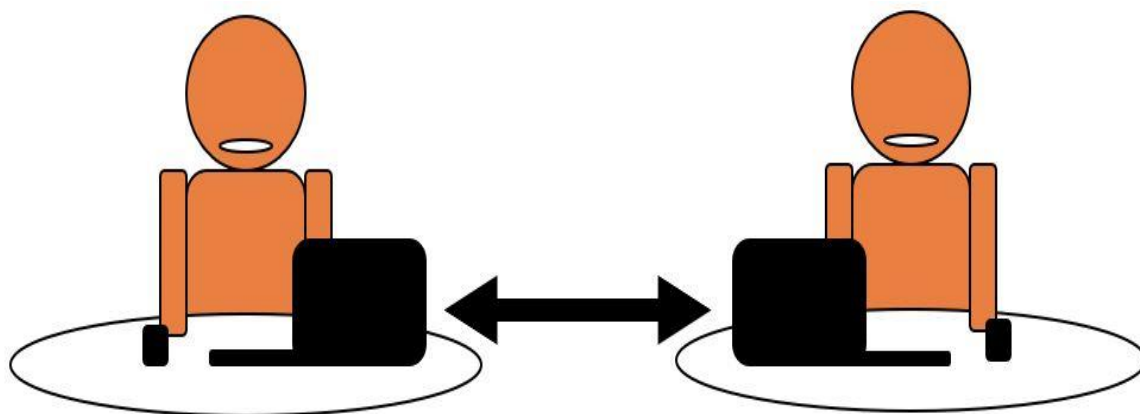
Early Engagement with Communities

The Evidence Report is split into 10 different topic groups which allows members of the public to focus on any particular subject that they have an interest in, avoiding stakeholders from becoming overwhelmed by a document so wide in scope that meaningful consultation becomes difficult.



Early Review Groups

Early drafts of the Topic Papers were shared with Review Groups made up of the relevant key stakeholders. Feedback was considered and, where appropriate, changes made to the drafts prior to the wider public consultation.



Internal Consultations

Internal consultations took place as part of the early review of the draft papers. As the Evidence Report will inform the Proposed Local Development Plan, it is important that there is alignment between the evidence base and the visions and strategies that other services within the Council have.

Consultation on Topic Papers: Your Place, Your Plans, Your Future

To undertake public consultation on the Evidence Report topic papers, the documents were included in a wider consultation exercise along with other relevant strategies and proposals. The “Your Place, Your Plans, Your Future” consultation was centred around the theme of “place” to gain input from those who live, work, and play in Aberdeen to understand what they would like their city to be like in the future.

The Place Standard Tool was used to structure feedback throughout the consultation, as recommended in the Scottish Governments guidance on ‘Effective Community Engagement in Local Development Planning’ (2024). This one-stop-shop engagement exercise allowed Aberdeen City residents to share their views, and shape multiple local plans and strategies at once.

Feedback from the consultation provided information to support the Local Development Plan process in three ways:

- Call For Ideas – through the Place Standard themes, we were able to capture what people think the future of Aberdeen should look like, and what the future objectives for the “place” of Aberdeen should be.

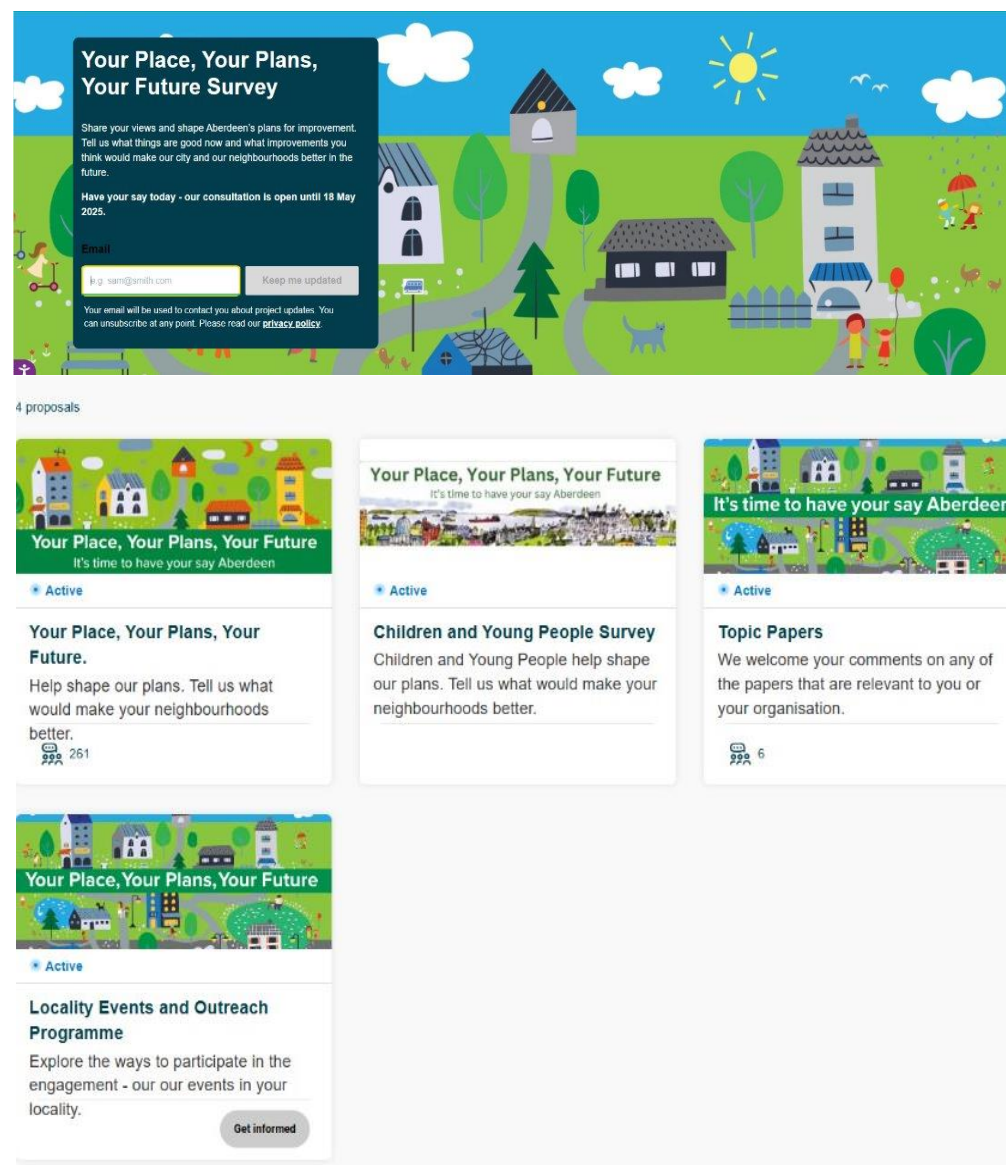


Figure 6: Screenshot of CommonPlace webpage for Consultation

- Play Sufficiency Assessment – through the ‘Play & Recreation’ Place Standard theme we were able to hear from communities on the opportunities there are for play in their local areas and across the City.
- Topic Papers – this provided opportunity for the public to feedback whether they think the “evidence base” we have identified to write the next Plan is relevant and up-to-date, or whether we’ve missed any key pieces of data or information.

The Your Place, Your Plans, Your Future consultation exercise was available on Commonplace, the Council’s online consultation hub, and ran from 24 March - 18 May 2025. In addition to the online survey, a version designed for children and young people was also made available.

An outreach programme was also undertaken alongside the online consultation to engage with community groups. The Council went to 98 different groups / schools / locations to encourage participation and to assist local people in completing the consultation. This included an event aimed at the housing development industry in Aberdeen, a Gypsy Traveller workshop, a Future Infrastructure Requirements for Services group event, and a Community Council event. The LDP team also attended six in-person public events across Aberdeen City. These events provided the opportunity for participants to discuss things they think are working well, and the things they think could be improved. There were also specific activities conducted for children and young people at some of the events, designed by the Aberdeen Youth Movement and Aberdeen Ambassadors. Additionally, some drop-in information stalls were hosted in Marischal College to engage further with members of the public.

Local Place Plans

Local Place Plans were introduced by the Planning (Scotland) Act 2019. These plans are to be produced by communities setting out their ambitions for development and use of land within their area. These may be led by Community Councils, but other Community groups are eligible to create their own Local Place Plans. For Local Place Plans to be considered in the

preparation of the proposed Local Development Plan, we ask that communities to submit them to the planning authority by **20 October 2025**.

Identified Disputes / Resolve or Unresolved Disputes

‘Dispute’ is a term used in the Guidance on Local Development Planning where people disagree with the evidence collected, consider that there are alternative sources of information that should be used, or disagree with the conclusions made.

Where possible, disputes received to the evidence presented in the Evidence Report have been resolved and the topic paper modified. Some disputes do however remain unresolved, and have been passed on to the Scottish Government as part of the Gate Check stage.

Stage 2: Gate Check / Call for Ideas / Call for Sites

Gate Check

The Evidence Report will undergo a 'Gate Check' examination wherein a Reporter from the Directorate of Planning and Environmental Appeals will determine whether the Council is required to provide any further information with respect to the submitted Evidence Report and any attached unresolved disputes. The purpose of this is to ensure that there is a sound evidence base on which to prepare the next Local Development Plan.

The Evidence Report will be assessed at Gate Check between July – September 2025.

Call for Ideas and Call for Sites

The Evidence Report will identify a range of high-level land use planning issues that Aberdeen City will address in the next Plan. The Call for Ideas stage involves the involvement of stakeholders, asking for ideas on what actions should be taken to achieve the outcomes identified within the Evidence Report.

From July to October 2025, the Call for Ideas stage of the Local Development Plan making process will unfold. As aforementioned, this process will be heavily informed by the 'Your Place, Your Plans, Your Future' consultation. Local Place Plans that communities have prepared will ideally be shared with the Council by this stage and can also be considered for integration within the next Plan.

Additionally during this period, a Call for Sites will be undertaken. This is aimed at developers/landowners to provide an opportunity for them to suggest sites for inclusion in the next Plan.

Details of engagement at this stage is further outlined in Participation Statement below.

Gate Check and Call for Ideas / Call for Site / Proposed Plan Preparation Programme

Q2/Q3 2025/26 (Jul-Oct '25)	<p><u>Gate Check and Call For Ideas</u></p> <p>Publicise the submission of the Evidence Report to Scottish Ministers and the outcome of the Gate Check.</p> <p>Begin the Call for Sites, including collection and evaluation of development proposals from the development industry.</p> <p>Begin the Call for Ideas, including collection and evaluation of place-based ideas expressed by all parties on the actions that should be taken in the Local Development Plan to achieve desired outcomes.</p>
Q3 2025/26 (Oct '25-Sept '26)	<p><u>Proposed Plan Preparation</u></p> <p>Undertake Sites Appraisal – all sites are assessed using the site appraisal methodology outlined within the Evidence Report. This includes sites allocated within the existing LDP; sites proposed through the 'Call for Sites stage; and any other sites that the Council considers may have potential for inclusion.</p> <p>Prepare Delivery Programme</p> <p>Prepare Proposed Plan</p>

	<p>Prepare necessary assessments to support the next Plan. This includes the Integrated Impact Assessment, SEA and HRA.</p> <p>Publish and consult on Proposed Plan and the Environmental Report, comprising the SEA, and HRA.</p>
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Participation Statement

We are strongly committed to encouraging interest and wide public involvement in the preparation of the new Local Development Plan. This Participation Statement explains how local communities and other stakeholders will be engaged and how they will have an opportunity to be involved in the preparation of a new Local Development Plan.

The participation statement will include the following:

- **Consultation partners**
- **National Standards for Community Engagement**
- **Advertisement and awareness of consultations**
- **Consultation engagement**

Consultation Partners

Planning legislation sets out the requirement for community engagement. It has been enhanced by the Planning (Scotland) Act 2019 which includes specific provisions for children and young people, gypsy/travellers, and disabled people. The Council's approach to engagement has been informed by the Scottish Government's 'Effective Community Engagement in Local Development Planning Guidance' (2024).

Engagement and consultation of the new Local Development Plan will be based upon a collaborative approach. This will include the following bodies and groups:

- Community Councils
- Other Community Groups
- Landowners and Developers
- Businesses and business groups
- Children and young people
- Disabled persons
- Elderly persons
- Gypsy/Travellers
- Minority groups

- Nature Scot
- SEPA
- Historic Environment Scotland
- NHS Grampian
- Scottish Forestry
- Scottish Water
- Transport Scotland
- NESTRANS
- Scottish Enterprise
- Marine Scotland
- Aberdeenshire Council

National Standards for Community Engagement

Our approach to engagement for our next Local Development Plan will adopt the following principles as set out by the National Standards for Community Engagement.



Figure 7: Principles from the National Standards for Community Engagement

Advertisement and Awareness of Consultations

All communications regarding the progress of the Local Development Plan will generally be delivered through Commonplace, the Council's online consultation hub. This new consultation platform will be used to engage with the public, providing regular updates of the delivery of the next Local Development Plan with details as to how people can get involved.

In addition to this, the planning service will raise awareness of public consultations by advertising on social media. Key stakeholders and those subscribed to our Commonplace platform will be notified of any updates. Anybody can subscribe to receive these notifications and access our Commonplace platform by following this link:

[Have Your Say Today - Local Development Plan - Commonplace](#)

Statutory notification will also take place for owners, lessees or occupiers of land of neighbouring sites (within 20 meters) which the Proposed Plan specifically sets out to be developed and which would have a significant effect on the use and amenity of the neighbouring land. Notification is only required where there are premises on the site or neighbouring land.

Consultation Engagement

Table 4 below sets out the purpose and methods for consultation at each stage of the next plan process.

Table 4. Stages of the plan process and engagement. (Shaded stages have been completed.)

Plan Stage	Engagement Purpose	Engagement Methods
Evidence Report early consultation: July-December 2024	To make the public aware that a new Local Development Plan process has begun and to gather information to inform the evidence report draft.	<p>There will be meetings with community council groups with a particular focus on the inclusion of elements from prepared local place plans. Events conducted in person and/or online will take place to engage with the gypsy/traveller community, disability groups and children and young people. The place standard tool may be utilised where it is deemed appropriate.</p> <p>We will engage with key agencies and organisations to gather evidence.</p> <p>We will also engage with Councillors on the planning issues facing their communities.</p> <p>We will consult the relevant authorities upon the scope of the Strategic Environmental Assessment.</p> <p>Once an early draft of the evidence report is finished, review groups will feed back opinion upon each of the 10 topic groups.</p>
Evidence Report consultation on	To identify any areas of dispute for the purposes	The public will have the opportunity to feedback upon the ‘Your Place, Your Plans, Your Future’ consultation via the CommonPlace consultation hub. The key agencies, councillors, gypsy/traveller community, disability groups and children and young

final draft: January-March 2025	of preparing for the gate check. Attempting to resolve disputes where appropriate.	people will be notified to feed back into the process. Circular 2/2021 provides guidance on the promotion and use of mediation in the planning system, and there may be opportunities to use such techniques when attempting to resolve disputes at this stage.
Gate Check: July-September 2025	To inform the public and stakeholders	The Council will publicise the submission of the Evidence Report to Scottish Ministers and the outcome of the Gate Check on our CommonPlace page, and will additionally update the Local Development Plan page on the Council website.
Proposed Plan Call for ideas and Call for Sites: July- October 2025	To provide an opportunity for people and organisations to put forward ideas and sites for inclusion in the Proposed Plan and to shape its content	<p>The public will be invited to feed back into the process during the 'Call for Ideas' stage of the plan. Developers and landowners will also be invited to respond to the 'Call for Sites'. This will primarily be conducted online via the consultation hub or by postal submission. Meetings will be held with key agencies and other significant groups.</p> <p>Local Place Plans are welcome and will be considered within the development of the proposed plan. Submissions are to be received by 20 October 2025.</p>
Finalised Proposed Plan consultation: October 2026- September 2027	To publicise and explain the connect of the Proposed Plan and allow people to make formal	A minimum 12 week period of consultation on the Proposed Plan, the Proposed Delivery Plan and the Environmental Report will take place, subject to Council approval. This will primarily be conducted online via the consultation hub or by postal submission. This consultation will take place in tandem with the consultation on the Council's next Local Transport Strategy given the close relationship between the two documents.

	representations to it.	A summary of all comments will be produced and published alongside the Council's response to the comments and any proposed modifications that the Council may seek to make in response.
Examination and adoption of plan: October 2027 - May 2028	To inform the public and stakeholders	The submission of the plan for examination will be publicised on our CommonPlace webpage and on the Local Development Plan webpage on the Council website. All parties with unresolved representations to the Proposed Plan will be notified that the plan has been submitted for examination.

Appendix 1. Local Development Plan definitions for subject papers is abridged from National Planning Framework 4.

Topic Group	Content	Subject papers
1. Spatial Strategy	The subjects in this topic group have a particularly strong spatial focus – they concern decision making or allocation upon a map. These subject areas may also include elements which are not spatial.	<ul style="list-style-type: none"> • Green belt – A management tool to restrict development around the city, green belts should be identified or reviewed as part of the preparation of LDPs. Boundary changes may be made to accommodate planned growth, or to extend, or alter the area covered as green belt. Detailed green belt boundaries should be based on evidence and should be clearly identified in plans. • Brownfield, Vacant & Derelict Land & Empty Buildings - LDPs should set out opportunities for the sustainable reuse of brownfield land including vacant and derelict land and empty buildings. • Coastal Development - LDP spatial strategies should consider how to adapt coastlines to the impacts of climate change. They should identify areas of developed and undeveloped coast, explore opportunities to use nature-based solutions to improve resilience and should align with national, sectoral and regional marine plans. • Business and Industry - LDPs should use land audits to inform the allocation of a range of sites (location, size and quality in terms of accessibility and services) for business and industry. Allocation should take account of local economic strategies and support broader sustainability and wellbeing objectives.
2. Delivery of Homes	The subject in this topic group concerns housing land allocations.	<ul style="list-style-type: none"> • Quality homes - LDPs are expected to identify a Local Housing Land Requirement (10 year minimum all tenure housing land requirement) in locations that create quality places for people to live taking into account local living, 20 minute neighbourhoods and an infrastructure first approach. Areas that may be suitable for new homes beyond 10 years are also to be identified.
3. Infrastructure	The subjects in this topic group have a focus upon travel, connections	<ul style="list-style-type: none"> • Infrastructure first - LDPs and delivery programmes should be based on an integrated infrastructure (schools, roads, community assets etc) first approach. Plans should be informed by evidence on infrastructure capacity, condition, needs and deliverability. LDPs should set out infrastructure requirements needed to deliver the spatial strategy and

	and communication.	<p>indicate the type of financial or in kind contribution required. Plans should align with relevant national, regional and local infrastructure plans.</p> <ul style="list-style-type: none"> • Blue & Green Infrastructure - LDPs should be informed by audits and/or strategies, covering the multiple functions and benefits of blue and green infrastructure. The spatial strategy should identify and protect blue and green infrastructure assets and identify enhancement and expansion priorities. LDPs should encourage the permanent or temporary use of unused or under-used land as green infrastructure. LDPs should safeguard access rights and core paths, including active travel routes, and encourage new and enhanced opportunities for access linked to wider network. • Digital Infrastructure - LDPs should support the delivery of digital infrastructure, including fixed line and mobile connectivity, particularly in areas with gaps in connectivity and barriers to digital access.
4. Sustainable Transport	The subject in this topic focuses on transport connectivity.	<ul style="list-style-type: none"> • Sustainable Transport - LDPs should prioritise locations for future development accessible by sustainable modes. The spatial strategy should make best use of existing infrastructure and services. LDPs should promote a place-based approach to consider how to reduce car-dominance. Consideration should be given to the type, mix and use of development and the accessibility for users of all abilities. LDPs should be informed by an appropriate transport appraisal.
5. Climate Change, Mitigation and Adaptation	The subjects in this topic group are all directly related to managing and mitigating climate change and its impacts.	<ul style="list-style-type: none"> • Climate & Nature Crisis - LDPs must address the global climate emergency and nature crisis by ensuring the spatial strategy will reduce emissions and adapt to current and future risks of climate change by promoting nature recovery and restoration in the area. • Climate Mitigation & Adaptation - The LDP spatial strategy should be designed to reduce, minimise or avoid greenhouse gas emissions. The six spatial principles help to guide development to, and create, sustainable locations. LDPs should support adaptation to the current and future impacts of climate change by taking into account climate risks, guiding development away from vulnerable areas, and enabling places to adapt to risks. • Flood Risk & Water Management - LDPs should account for probability of flooding from all sources and use flood risk and river basin management plans. Resilience should also be supported by managing the need to bring previously used sites in built up areas into positive use; planning for adaptation measures; and identifying opportunities to

		<p>implement improvements to the water environment through natural flood risk management and blue green infrastructure. A precautionary approach should be taken, regarding the calculated probability of flooding as a best estimate, not a precise forecast. For areas where climate change is likely to result in increased flood exposure that becomes unmanageable, consideration should be given to alternative sustainable land use.</p>
6. Nature & Biodiversity	<p>The subjects in this topic group are all directly related to managing and mitigating the nature crisis.</p>	<ul style="list-style-type: none"> • Biodiversity - LDPs should protect, conserve, restore and enhance biodiversity in line with the mitigation hierarchy. Nature recovery and nature restoration should be promoted alongside nature networks and connections, restoring and creating habitats and incorporating measures to increase biodiversity, including populations of priority species. • Natural Places - LDPs will identify and protect locally, regionally, nationally and internationally important natural assets, on land and along coasts. Spatial strategies should also better connect nature rich areas by establishing and growing nature networks to help protect and restore the biodiversity, ecosystems and natural processes in their area. • Forestry, Woodland & Trees – The LDP spatial strategy should identify and set out proposals for forestry, woodlands and trees in the area, including their development, protection and enhancement, resilience to climate change, and the expansion of a range of types to provide multiple benefits. This will be supported and informed by a Forestry and Woodland Strategy. • Soils - LDPs should protect locally, regionally, nationally and internationally valued soils, including land of lesser quality that is culturally or locally important for primary use.
7. Energy and Resources	<p>The subjects in this topic group are concerned with energy and resources.</p>	<ul style="list-style-type: none"> • Energy - LDPs should seek to realise their area's full potential for electricity and heat from renewable, low carbon and zero emission sources by identifying a range of opportunities for development. • Zero Waste - LDPs should identify appropriate locations for new waste management infrastructure to support the circular economy and meet identified needs in a way that moves waste as high up the waste hierarchy as possible.

		<ul style="list-style-type: none"> • Heating & Cooling - LDPs should take into account the area's Local Heat & Energy Efficiency Strategy (LHEES). The spatial strategy should take into account areas of heat network potential and any designated Heat Network Zones (HNZ). • Minerals - LDPs should support a landbank of construction aggregates of at least 10-years at all times in the relevant market areas, whilst promoting sustainable resource management, safeguarding important workable mineral resources, which are of economic or conservation value, and take steps to ensure these are not sterilised by other types of development.
8. Centres of Business and Culture	The subjects in this topic group are concerned with centres of business and culture.	<ul style="list-style-type: none"> • City, Town, Local & Commercial Centres - LDPs should support sustainability and enhancements for the city centre and local and commercial centres. LDPs should identify a network of centres that reflect the principles of 20 minute neighbourhoods and the town centre vision. LDPs should be informed by evidence on where clustering of non-retail uses may be adversely impacting on the wellbeing of communities. They should also consider, and if appropriate, identify any areas where drive-through facilities may be acceptable where they would not negatively impact on the principles of local living or sustainable travel. • Retail - LDPs should consider where there may be a need for further retail provision. This should be informed by a retail study. There may be need for new centres to support new housing allocations. LDPs should identify areas where proposals for healthy food and drink outlets will be supported. • Tourism - LDPs should support the recovery, growth and long-term resilience of the tourism sector. The spatial strategy should identify locations for tourism development by taking full account of the needs of communities, visitors, the industry and the environment. Relevant national and local sector driven tourism strategies should be taken into account. The spatial strategy should identify areas of pressure where existing tourism provision is having adverse impacts and where further development is not appropriate • Culture and Creativity -LDPs should recognise and support opportunities for jobs and investment in the creative sector, culture, heritage and the arts.

9. Place	The subjects in this topic all concern matters to do with place.	<ul style="list-style-type: none"> • Historic assets and places - LDPs, including through their spatial strategies, should support the sustainable management of the historic environment. They should identify, protect and enhance valued historic assets and places. • Design, Quality & Place - LDPs should be place-based, created in line with the Place Principle. The spatial strategy should be underpinned by the six qualities of successful places. LDPs should provide clear expectations taking account of the local context, characteristics and connectivity of the area. They should identify where design frameworks, briefs, masterplans and design codes are required. The Place Standard tool should be used in preparing LDPs and guidance to engage with communities and other stakeholders. Its use in early design discussions on planning applications should be promoted. • Local Living & 20 Minute - LDPs should support local living through the spatial strategy, associated site briefs and masterplans. The approach should take into account the local context, consider the local settlement pattern and reflect the particular characteristics and challenges faced by each place. Communities and businesses will have an important role to play in informing this process.
10. Wellbeing and Communities	The subjects in this topic group all concern matters which directly affect the wellbeing of local communities.	<ul style="list-style-type: none"> • Play, Recreation & Sport - LDPs should identify sites for sports, play and outdoor recreation for people of all ages. This should be based community consultation and informed by the planning authority's Play Sufficiency Assessment and Open Space Strategy. These spaces can be incorporated as part of enhancing and expanding blue and green infrastructure, taking account of relevant agencies' plans or policy frameworks, such as flood risk and/or water management plans. New provisions should be well-designed, high quality, accessible and inclusive. • Health & Safety - LDP spatial strategies should seek to tackle health inequalities particularly in places which are experiencing the most disadvantage. They should identify the health and social care services and infrastructure needed in the area, including potential for co-location of complementary services, in partnership with Health Boards and Health and Social Care Partnerships. LDPs should create healthier places for example through opportunities for exercise, healthier lifestyles, land for community food growing and allotments, and awareness of locations of concern for suicide. Spatial strategies

		<p>should maintain appropriate distances between sites with hazardous substances and areas where the public are likely to be present and areas of particular natural sensitivity or interest</p> <ul style="list-style-type: none"> • Community Wealth Building - LDPs should be aligned with any local strategy for community wealth building. Spatial strategies should address community wealth building priorities; identify community assets; set out opportunities to tackle economic disadvantage and inequality; and seek to provide benefits for local communities
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ABERDEEN CITY COUNCIL

COMMITTEE	Finance and Resources
DATE	06 August 2025
EXEMPT	No
CONFIDENTIAL	No
REPORT TITLE	Visitor Levy
REPORT NUMBER	CR&E/25/179
DIRECTOR	Gale Beattie
CHIEF OFFICER	Julie Wood
REPORT AUTHOR	Matthew Williams
TERMS OF REFERENCE	2.1.2, 3.2, 3.4

1. PURPOSE OF REPORT

- 1.1 The report seeks a decision on whether and how to proceed with the visitor levy in Aberdeen.

2. RECOMMENDATION(S)

That the Committee:-

- 2.1 Note the public consultations and key stakeholders that have been consulted on the outline proposal in section 3.22;
- 2.2 Note the key points from these consultations in section 3.23-3.25 with a full summary provided in Appendix B - Aberdeen City Council Consultation response July 2025;
- 2.3 Note the absolute earliest date that Aberdeen City Council could introduce a visitor levy is 01 April 2027;
- 2.4 Note the timeline and actions in section 3.5 if a decision is made to proceed with the visitor levy proposals or with modifications to those proposals;
- 2.5 Decide whether or not to take forward a Visitor Levy for Aberdeen and decide upon a rate in the range of 5% to 10% in line with the scheme outlined, or with modifications; and
- 2.6 Instruct the Chief Officer – City Development and Regeneration to take any actions necessary to implement the decision made under recommendation 2.5; and in accordance with the Visitor Levy (Scotland) Act 2024.

3. CURRENT SITUATION

- 3.1 The Visitor Levy (Scotland) Bill, introduced on 24 May 2023, was passed on 28 May 2024 becoming the Visitor Levy (Scotland) Act 2024 (“the Act”). This

legislation allows local authorities in Scotland to charge a fee on overnight stays in some types of accommodation. It stipulates that the levy would be calculated as a percentage of the chargeable transaction for accommodation, after deducting any commission costs. The main purpose of the Act is to enable councils to invest more in local tourism facilities and services that benefit visitors and residents.

- 3.2 At Finance and Resources Committee on 12th February 2025, the Chief Officer - City Development and Regeneration was instructed 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. This report and Appendix B - Aberdeen City Council Consultation response July 2025, has details of this.

Implementing a Visitor Levy Scheme

- 3.3 The Visitor Levy (Scotland) Act 2024 also sets out some general principles and requirements for councils that choose to apply a visitor levy. Before a local authority can introduce a visitor levy scheme, they must take the following steps:
- (i) **Outline the Scheme:** The authority needs to prepare and publicise a clear outline of the proposed scheme. This outline should explain who won't have to pay the levy or can get a refund, the objectives of the proposal, and include how the authority intends to measure and report on the achievement of those objectives. It should also include an assessment of the impact of the proposal on persons living within the scheme area and other persons likely to be affected. The proposal on which we consulted was presented to Finance and Resources Committee on 12th February 2025 and is found in Appendix A - Visitor Levy for Aberdeen Proposal.
 - (ii) **Consultation:** The Act requires a local authority to consult representatives of communities and businesses engaged in tourism, and tourist organisations, in its area, along with any other people or bodies who will be affected by the proposal.
 - (iii) **Public Report:** The local authority will be required to prepare and publicise a report which summarises the consultation responses received, its response to the consultation, states its intention to proceed and gives its reasons for continuing, modifying, or abandoning a visitor levy proposal. That report provides the summary of the responses and seeks a decision to proceed with the visitor levy proposal.
 - (iv) **Publishing:** If a local authority formally decides to introduce a visitor levy scheme, the Act requires it to notify the Scottish Ministers of its decision and to publicise that it is introducing a visitor levy scheme with the proposed date on which it is to come into effect.

Implementation Timeline

- 3.4 The lead-in time for commencing a local visitor levy scheme will be **18 months after the completion of these consultations and published intent to proceed**. This is to allow time for accommodation providers to ensure they have the necessary systems to administer the levy.
- 3.5 A proposed timeline for Aberdeen (subject to consultation, approvals and Scottish Government digital platform to administer the levy being in place) to introduce a visitor levy on **1 April 2027**:

Time	Action
April 2025-July 2025	Consultation process
August 2025	Public report to Committee on consultation and proposed reporting and benefits realisation
August 2025	Decision to proceed, modify or abandon the visitor levy
October 2025	Notice given to Scottish Ministers that the visitor levy would come into effect on 1 April 2027
October 2025 – April 2026	Establish a Visitor Levy Forum
October 2024-March 2026	Scottish Government digital platform to administer the levy is developed.
October 2025 – Summer 2026	Accommodation providers obtain the necessary systems to administer the levy

Proposal Details

- 3.6 The proposal is based on the Visitor Levy (Scotland) Act 2024, which allows local authorities to introduce a levy, details the potential levy structure, charges, objectives, how the net proceeds could be used, the monitoring arrangements and the governance arrangements for managing the levy.

Levy Start Date

- 3.7 The absolute earliest a visitor levy scheme can come into effect in Aberdeen is 01 April 2027. This milestone is subject to consultation feedback, lessons learned from elsewhere and national feedback, which may require us to add in additional tasks.

Levy Rate

- 3.8 The Act stipulates that the levy is expressed as a percentage rate. The levy will be in a range of 5% to 10% (to be decided in Recommendation 2.5). A Levy will apply year round and produce a levy of between £3.50 and £7 per night on the average Aberdeen room rate of £70 a night. The levy will be the same across the entire Aberdeen local authority area. This compares to a levy of £9 a night on an average room of £180 a night in the Edinburgh at their 5% levy rate.
- 3.9 Accommodation providers within the local authority area will be liable for the levy. They will be required to submit regular reports, detailing the total

accommodation charges and the total levy collected to a national online visitor levy portal. The levy will be payable at the same time as submitting returns.

- 3.10 Accommodation providers are required to keep accurate records of all transactions that are subject to the levy. The Council will conduct inspections, as required, to ensure compliance with the scheme and remittance requirements. Accommodation providers who fail to comply may be subject to penalties.

Applicability

- 3.11 The levy will apply to all overnight accommodation, including those with an annual turnover under the VAT threshold, within Aberdeen City Council's area.
- 3.12 The visitor levy is payable by anyone staying in accommodation which is not their only or usual place of residence (temporary or otherwise). Individuals from the below categories are not required to pay the levy:
- Those who are homeless or at risk of homelessness,
 - Those whose residence is unfit for habitation;
 - Asylum seekers and refugees;
 - Members of the Gypsy/Traveller communities staying on dedicated sites;
 - Individuals residing in cruise ships and motor homes; and
 - Individuals who reside in overnight accommodation who are in receipt of benefits, payments or allowances for a disability.
- 3.13 An additional exemption from the levy is proposed for individuals travelling to Aberdeen for medical appointments, accompanied by a companion.

Scheme Objective

- 3.14 The overarching aim of the Scheme is to ensure that Aberdeen is a leading visitor destination by supporting the ongoing, sustainable growth of the city's visitor economy.

Use of funds

- 3.15 The Visitor Levy (Scotland) Act 2024 stipulates that the net proceeds of a visitor levy must be spent on facilitating the achievement of the scheme's objectives and "developing, supporting and sustaining facilities and services which are substantially for or used by persons visiting (overnight) for leisure or business purposes (or both)".
- 3.16 After administration costs, it is proposed from the stakeholder group that the remaining funds will then be split into the following investment streams (indicative percentages shown):
- Economic Growth and Competitive Edge (63%)
 - Destination Marketing and Development (18%)
 - Destination Readiness and Improvement (13%)
 - Reserve Fund (5%)
- 3.17 More detail of each of the objectives and these investment streams can be found in Appendix A - Visitor Levy for Aberdeen Proposal.

Monitoring and Evaluation

- 3.18 Within six months of giving notice to Ministers that a local authority plans to introduce a visitor levy, the Council needs to establish a Visitor Levy Forum to discuss and advise on the visitor levy scheme, including the review and modifications to the scheme. The Forum will also be consulted on how the visitor levy funds will be spent. The local authority appoints the membership of the forum and must ensure that the membership of the Visitor Levy Forum includes such persons as the authority considers to be representative of communities, businesses engaged in the visitor economy, tourism and tourist organisations in its area.
- 3.19 The policy intention is that it is transparent to all concerned what amount of money has been collected under a visitor levy scheme; how those funds have been used; and how a scheme has performed against the objectives set out for it. The Act therefore requires a local authority to publish a report setting out this information within 18 months of a scheme being introduced, and then every 12 months. The Act requires a local authority operating a visitor levy scheme to review the scheme every three years.

Proposal Consultation

- 3.20 The Act requires a local authority to consult representatives of communities and businesses engaged in the visitor economy, tourism, and tourist organisations, in its area, along with any other people or bodies who will be affected by the proposal. It is recommended that the consultation is open for at least 12 weeks.
- 3.21 Officers developed this proposal in tandem with a range of key stakeholders including representatives from VisitAberdeenshire (including the Aberdeen Convention Bureau), P&J Live, VisitScotland and the Aberdeen City and Shire Hotels Association.
- 3.22 A set of consultations have been carried out. These include:
- In-person consultations with accommodation providers including the Hotel Association and representative organisations of small businesses and self-catering operators.
 - An online Commonplace consultation that sought views on the proposed Aberdeen City Visitor Levy.
 - In-person public consultations on the levy held at various localities within Aberdeen as part of a set of wider policy consultations.
- 3.23 Support for the introduction of the levy was mixed. Support came mainly from those citing investment in the visitor economy, tourism and alignment with other cities. Opposition, especially from smaller accommodation providers and individuals, focused on the financial and administrative burden and particular issues for businesses which are currently exempt from VAT.
- 3.24 A plurality of respondents wanted the levy rate to be lower than 7%. Common themes as to why included affordability for visitors, flexibility based on season or type of accommodation, and competitiveness with other cities.

- 3.25 On the use of funds views were evenly split. Supporters welcomed investment in visitor experience and destination marketing. Others wanted stronger emphasis on community infrastructure or business support.
- 3.26 A full summary of the results of these consultations is provided in Appendix B - Aberdeen City Council Consultation response July 2025.

Strategic fit: Regional Economic Strategy

- 3.27 The visitor levy scheme supports the ambitions and targets in the Regional Economic Strategy and also the Regional Destination Strategy. The 2023 Regional Economic Strategy ambition is to be widely recognised as a leading Scottish destination by 2035, delivering distinctive high quality visitor experiences.
- 3.28 Within the Culture Identity theme the ambition is to support development and attract international events and festivals in the Events 365 Plan and support and invest in arts and cultural sector. Targets include significantly increasing the proportion of people participating in a cultural activity in the last 12 months, total visitor numbers, and the numbers attending visitor attractions by 2029.

Strategic fit: Council health-centred prevention approach

- 3.29 In February 2024 Council agreed the Target Operating Model 1.2 which included a renewed focus on a health-centred approach as an important element of our prevention agenda. Specifically, this includes aligning Council strategic priorities with the social determinants of health.
- 3.30 The social determinants of health are the non-medical factors that influence people's health outcomes and are described as 'the causes of the causes' (Marmot, 2006). They are the conditions in which people are born, grow, work, live, and age, and the wider set of forces and systems shaping daily life.
- 3.31 The proceeds from a visitor levy would support this agenda by stimulating the visitor economy which supports jobs in the sector and across the wider economy. The proceeds are intended to be spent on initiatives to drive increased visitor numbers including development of green spaces, increased active travel, and the staging of cultural, entertainment and sporting events in Aberdeen. These are important in supporting physical and mental health including fostering community cohesion, participation in culture and sport, and supporting the local environment.

4. FINANCIAL IMPLICATIONS

Administration Costs to Aberdeen City Council

- 4.1 An online platform is being developed by the Scottish Government's Improvement Service for levy collection and its enforcement. Key features of the platform:

- A single platform for all local authorities, where accommodation providers will only need to register their properties once.
- Integrated with NDR (Non-Domestic Rates) and Council Tax for validation.
- The platform can vary rates by geography and time to reflect local conditions.
- It records payments and sends enforcement emails to ensure compliance.
- The Improvement Service will provide dedicated customer service support to both businesses and local authorities.
- The platform will be jointly owned by the Improvement Service for all local authorities and is designed to support a range of future capabilities, including a cruise ship levy module.
- Penalty modules to ensure compliance.
- The ability to monitor and track key data such as rates and occupancy by accommodation type, identifying any outliers and ensuring overall compliance with the levy

4.2 Development of the platform began in October 2024, with the full roll-out expected in March 2026. This is at least a full year before any scheme would come into effect in Aberdeen. Administration costs of this platform are included in Appendix A - Visitor Levy for Aberdeen Proposal.

4.3 The provisional start date for the visitor levy scheme of April 2027 is contingent upon the Scottish Government digital platform being developed on time and in a way that enables accommodation providers to have the necessary systems to upload their reporting information to that platform. Any delay or unforeseen difficulty could delay the introduction of the scheme.

Net Visitor Levy Revenues

4.4 An accommodation audit of accommodation providers was carried out for Aberdeen in December 2024. Using this audit and occupancy rate and room rate assumptions from survey data including CoStar UK Limited, Scottish Government Occupancy Survey and Scottish Accommodation Survey and estimates of administration costs net revenues (after administration costs to Aberdeen City Council and costs recovery to accommodation providers) have been forecast at various levy rates. These are forecast to be £4.8m per annum at a 5% levy rate, £6.8m per annum at a 7% levy rate and £9.7m per annum at a 10% levy rate.

4.5 Noting the fiscal challenges facing public services and the sector, this could provide much needed investment to services and facilities to the benefit overnight visitors and day trippers (whether visiting for business or leisure), residents, and stakeholders associated with the local visitor economy.

5 Recommendation

5.1 Overall, opinion on introducing a visitor levy remains divided. Respondents to the consultations emphasised fairness, clear communication, and streamlined administration. Clarity on levy use, regular measurement against the scheme's purpose and objectives, thoughtful exemptions, and accessible systems for accommodation providers will be essential to ensure support.

- 5.2 The visitor levy however, could provide a sustainable source of funding to retain and enhance existing support for the visitor economy, reinvest in business and leisure tourism services to achieve strategic goals, drive overnight visits, improve local amenities, and strive for continued growth of Aberdeen's visitor economy. For Aberdeen with an average room rate of around £70, a rate between 5% and 10% would produce an average levy rate of around £3.50 to £7 per night, with £5 at the consultation rate of 7%. This could produce a significant revenue stream to develop the visitor economy while at the same time not burdening an already price sensitive market with excessive costs.
- 5.3 Officers thus recommend that Aberdeen proceeds with the visitor levy scheme proposal. Should Aberdeen do so we would be required to notify the Scottish Ministers of its decision and to publicise that it is introducing a visitor levy scheme with the proposed date on which it is to come into effect.

6. LEGAL IMPLICATIONS

- 6.1 The Council will have to comply with the requirements of the Visitor Levy (Scotland) Act 2024 in order for the levy to be validly introduced.

7. ENVIRONMENTAL IMPLICATIONS

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

8. RISK

Category	Risks	Primary Controls/Control Actions to achieve Target Risk Level	*Target Risk Level (L, M or H) *taking into account controls/control actions	*Does Target Risk Level Match Appetite Set?
Strategic Risk	Levy impacts accommodation sector profitability, particularly for VAT-exempt accommodation	We will monitor the available data to check and report on any changes to occupancy rates and average room prices. The revenue stream will be used to invest in and enhance elements of the visitor economy to attract more overnight stays	Low	Yes
Compliance	Accommodation providers don't pay the levy	The Council provides an administration of the levy function that monitors, verifies and enforces the payment of the levy.	Low	Yes

Compliance	Accommodation providers use package deals to reduce the amount of levy payable e.g. bed and breakfast packages undervalue the accommodation element.	The Council works with other local authorities and Scottish Government to monitor this and find solutions if this approach is widespread.	Medium	Yes
Operational	Resources to set up and administer the levy increase	The ongoing national digital platform work may have provided estimates of these costs which will be reviewed. The Council actively monitors additional resource requirements to monitor and enforce a levy for Aberdeen.	Low	Yes
Operational	The development of the Scottish Government national Digital Platform is delayed.	The ongoing national digital platform work is needed for accommodation providers to pay the visitor levy and to monitor and enforce the levy. Should there be delays then this could jeopardise the introduction date of the levy in Aberdeen. Officers sit on the Scottish visitor levy community working group which meets monthly to discuss progress on the levy including the development of the platform to ensure this risk is minimised.	Low	Yes
Financial	Services to the Visitor Economy may not continue if projected income from external venues is not realised and/or there is a further reduction to both Council staffing and budget resources.	A ring-fenced budget to support the visitor economy in this way substantially mitigates this risk.	Low	Yes

Financial	A visitor levy would be applied before VAT. Persons staying overnight but reclaiming the levy due to an exemption would be refunded the levy, but not any VATable part	Scottish Government continue to seek written guidance from HMRC to clarify the position. This will be shared with all local authorities as soon as it is available.	Medium	Yes
Reputational	Failure to stimulate growth in the visitor economy from visitor levy returns could damage Aberdeen and ACC reputation.	A ring-fenced revenue stream from a visitor levy will substantially mitigate this risk. The Visitor Levy Forum should have a clear and substantial role in the recommendation of visitor levy spend	Low	Yes
Environment / Climate	N/A			

9. OUTCOMES

<u>COUNCIL DELIVERY PLAN 2023-2024</u>	
	Impact of Report
Aberdeen City Council Policy Statement <u>Working in Partnership for Aberdeen</u>	<p>The proposals within this report support the delivery of the following aspects of the policy statement:-</p> <ul style="list-style-type: none"> • Delivery of Support delivery of and attraction of new Events, • Aim to make Aberdeen a premier destination for festivals, productions, conferences, bands and events
<u>Local Outcome Improvement Plan</u>	
Prosperous Economy Stretch Outcomes	The proposals within this report support the delivery of LOIP Stretch Outcome 1 and 2 – No one will suffer due to poverty by 2026 and 400 unemployed Aberdeen City residents supported into Fair Work by 2026. The paper seeks approval to introduce a visitor levy scheme with the main purpose to grow stays in overnight accommodation and provide a ringfenced funding stream to support the visitor economy of the city. This will provide employment opportunities for people in the sector and stimulate the Aberdeen economy by attracting business and leisure visitors to the city.
Prosperous Place Stretch Outcomes	The proposals within this report support the delivery of LOIP Stretch Outcome 14 and 15 – Increase sustainable travel: 38% of

	people walking and 5% of people cycling as main mode of travel by 2026 and Addressing the nature crisis by protecting/ managing 26% of Aberdeen's area for nature by 2026. The paper seeks to introduce a visitor levy scheme to provide a ringfenced funding stream to support visitor services in the city. This could include active travel and public transport services and incentives, and policies protecting green areas or facilitating mindful public access to those spaces
Regional and City Strategies	<p>The proposals support the economic and environmental objectives of the Regional Economic Strategy: to diversify the economy and increase the share of the economy from the region's growth sectors which includes the visitor economy; maintaining a healthy, sustainable, working age population through increasing economic participation rates; and reducing emissions and protecting the natural capital of the region. They also meet the objectives of the Regional Transport Strategy and Regional Transport Strategy.</p> <p>It supports the Net Zero Routemap for the City and the Council's Medium Term Financial Strategy.</p> <p>The proposals would enable wider engagement with stakeholders ensuring that the ambitions within the Regional Destination Strategy can be supported</p> <p>The proposals would enable the Council to more substantially meet the objectives of the Event365 plan and culture strategy.</p>

10. IMPACT ASSESSMENTS

Assessment	Outcome
Integrated Impact Assessment	An IIA has been completed.
Data Protection Impact Assessment	This will be completed should a decision be made to proceed with a visitor levy in Aberdeen. It will need to be informed by the yet to be completed Improvement Service Digital Platform Data Protection Impact Assessment.

11. BACKGROUND PAPERS

11.1 Visitor Levy (Scotland) Act 2024

11.2 COSLA Visitor Levy Update 21 June 2024 for Environment and Economy Board

11.3 Introduction of a Tourism Levy after 2026/27 for Aberdeen City - Stage 1 Integrated Impact Assessment (for public consultation to inform Elected Members to set the 2024/25 Budget and future spending plans)

11.4 Visitor Levy (Scotland) Bill Spice Briefing 04 September 2023

11.5 Aberdeen F&R Committee Report CR&E/24/225, 07 August 2024

11.6 Aberdeen F&R Committee Report CR&E/25/028, 12 February 2025

12. APPENDICES

12.1 Appendix A - Visitor Levy for Aberdeen Proposal

12.2 Appendix B - Aberdeen City Council Consultation response July 2025

13. REPORT AUTHOR CONTACT DETAILS

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Appendix A - Visitor Levy for Aberdeen Proposal

This document outlines the proposal for introducing a Visitor Levy in Aberdeen. Aberdeen City Council intends to utilise the powers granted by the Visitor Levy (Scotland) Act 2024 to impose a levy in respect of persons staying in certain types of accommodation overnight in its local authority area.

The levy, which would apply to visitors staying in overnight accommodation within the city, would aim to provide a sustainable source of funding to reinvest in the visitor economy, including business and leisure tourism services, improvement of local amenities, and promotion of the city. The main purpose is to drive the continued growth of Aberdeen's visitor economy.

The proposal is based on the Visitor Levy (Scotland) Act 2024, which allows local authorities to introduce a levy, details the potential levy structure, charges, objectives, how the net proceeds could be used, and the governance arrangements for managing the levy. The aim is to ensure transparency and fairness, making sure that the levy will benefit Aberdeen's local community and visitor economy.

1. Levy start date

The soonest we could introduce a Levy would be 01 April 2027. This milestone is subject to consultation feedback on this proposal, the successful implementation of the Scottish Government national digital platform, lessons learned from elsewhere and national feedback, which may require us to add in additional tasks.

2. Levy duration

The levy will remain in force indefinitely or until the Council decides to change it.

3. Accommodation liable for the levy

The levy will apply to all overnight accommodation, including those with an annual turnover under the VAT threshold, within Aberdeen City Council. This includes:

- Hotels;
- Hostels;
- Guest houses;
- Bed and breakfast accommodation;
- Self-catering accommodation, including short-term lets;
- Caravan sites and campsites, where people are staying in static caravans, shepherd's huts, yurts, teepees, etc.
- Accommodation in a vehicle, or on board a vessel, which is permanently or predominantly situated in one place; and
- Any other place at which a room or area is offered by the occupier for residential purposes otherwise than as a visitor's only or usual place of residence.

4. The levy rate

The Visitor Levy (Scotland) Act 2024 stipulates that the levy is expressed as a percentage rate. The levy will be at 7% and will apply year round. The levy will be the same across the entire Aberdeen local authority area. There was consultation upon a range of levy rates from 5%-10%.

5. Collecting and enforcing the levy

Accommodation providers within the local authority area will be liable for the levy. They will be required to submit regular reports, detailing the total accommodation charges and the total levy collected to a national online visitor levy portal. The levy will be payable at the same time as submitting returns.

Accommodation providers are required to keep accurate records of all transactions that are subject to the levy. The Council will conduct inspections, as required, to ensure compliance with the scheme and remittance requirements.

Accommodation providers who fail to comply may be subject to penalties.

Appeals relating to decisions made by the Council on the operation and/or enforcement of the scheme can be registered via an online portal or email address. The Council will aim to review and process these appeals within 28 days.

6. Exemptions and exclusions

The Visitor Levy is payable by anyone staying in accommodation which is not their only or usual place of residence (temporary or otherwise). Individuals from the below categories are not required to pay the levy:

- Those who are homeless or at risk of homelessness. This includes those who are currently homeless or at risk of losing their home in the next eight weeks. This also includes people living in very poor housing conditions, such as overcrowding, serious damp, or disrepair, or as a result of experiencing domestic abuse or other forms of violence;
- Those whose residence is unfit for habitation;
- Asylum seekers and refugees; and
- Members of the Gypsy/Traveller communities staying on dedicated sites.

In addition, all individuals in receipt of the following UK disability benefits, payments, or allowances from paying the levy are exempt:

- Disability Living Allowance
- Disability Assistance
- Attendance Allowance
- Pension Age Disability Benefit
- Personal Independence Payment

An additional exemption from the levy is proposed for individuals travelling to Aberdeen for medical appointments, accompanied by a companion.

Individuals in these categories will need to pay the levy and request reimbursement from the Council. Reimbursement can be applied for online, submitting receipts for their overnight stay, relevant evidence (as this will be detailed on the Council's website) of their exemption/exclusion and bank details.

For those in receipt of the UK disability benefits, payments or allowances detailed above, evidence will be required to be submitted online and should include:

- The name of person in receipt of relevant eligible benefit;
- A copy (scan/photo) of the relevant benefit award letter;
- Proof of payment for overnight accommodation;
- The name of the person in receipt of the relevant benefit should be included on the receipt or booking, as evidence that they were a member of the group staying in the overnight accommodation; and
- Bank details (to enable payment via BACS).

The Council will assess the evidence received and pay the reimbursement via bank transfer if the applicant is found to be eligible.

7. Scheme Objectives

The overarching aim of the Scheme is:

To ensure that Aberdeen is a leading visitor destination by supporting the ongoing, sustainable growth of the city's visitor economy.

Based on this, the Objectives of the Visitor Levy are to:

- Grow the visitor economy to ensure increasing revenue for accommodation providers and greater returns from the visitor levy.
- Invest in measures which enable success in the visitor economy, benefit businesses, meet environmental and net zero goals, and achieve the aims of the Destination Strategy.
- Fulfil Aberdeen's potential as a leading leisure and business tourism destination by further establishing awareness of the city and supporting distinctive, high-quality experiences, venues and attractions to build demand and drive visits.
- Stimulate additional investment in venues, conferencing and expos, sport championships, culture and heritage, festivals and events; releasing the city's talent to benefit the visitor economy and local communities.
- Enhance the city for the benefit of visitors and residents, with profitable businesses, sustainable communities, rewarding jobs, and inclusivity for all.

8. Use of funds

The Visitor Levy (Scotland) Act stipulates that the net proceeds of a visitor levy must be spent on facilitating the achievement of the scheme's objectives and "developing, supporting and sustaining facilities and services which are substantially for or used by persons visiting [overnight] for leisure or business purposes (or both)."

After administration costs, it is proposed from the stakeholder group that the remaining funds will then be split into the following investment streams:

- Economic Growth and Competitive Edge (63%)
- Destination Awareness and Development (18%)
- Destination Readiness and Improvement (13%)
- Reserve Fund (5%)

More detail of each of these investment streams can be found in the Annex.

The Council will make decisions on the use of funds after consultation with the Visitor Levy Forum (see details below), with these decisions delegated to the relevant executive Committees.

9. Reviewing and changing the scheme

The Council will review the visitor levy for Aberdeen every three years to assess whether the scheme is successfully achieving its objectives and measure the impact of the scheme on businesses and communities. The review will be reported, along with detail on how the income has been spent and the benefits which the visitor levy-funded projects have brought.

If the Council wants to make changes to the scheme following the review, it will publicly consult on the change and publish a report detailing the decision and its justification. Significant changes to the scheme will require an 18-month implementation period.

Significant changes to the scheme include:

- Increasing the visitor levy scheme area;
- Increasing the visitor levy percentage rate; and/or
- Removing any exemptions.

10. Visitor Levy Forum

Within six months of giving notice to Ministers that a local authority plans to introduce Visitor Levy, the Council needs to establish a Visitor Levy forum to discuss and advise on the visitor levy scheme, including the review and modifications to the scheme. The Forum will also be consulted on how the visitor levy funds will be spent.

The local authority appoints the membership of the forum and must ensure that the membership of the Visitor Levy forum includes such persons as the authority considers to be

representative of communities, businesses engaged in tourism and tourist organisations in its area.

11. Impact Assessments

An initial Integrated Impact Assessment (IIA) was carried out in January 2025 on the impacts of the implementation of the visitor levy. The IIA was updated in July 2025 based on feedback received during the consultation process. The scheme will be reviewed regularly to address evolving equality considerations.

12. Measurement and Reporting of Visitor Levy Objectives

Aberdeen City Council will produce an annual report outlining how the net proceeds from the scheme have been allocated and utilised. Aberdeen City Council (ACC) will establish key metrics to evaluate the scheme's impact on the local tourism economy, measuring its success against the defined objectives.

Objectives	Outcomes
To ensure that Aberdeen is a leading visitor destination and support the ongoing, sustainable growth of the visitor economy.	<ul style="list-style-type: none"> • Increase in Sector Growth: Economic Impact • Increase in Sector Growth Comparison (% change in economic impact in city vs comparator average) • Increased inward investment in Aberdeen • Increase in accommodation bed nights
Grow the visitor economy to deliver increased revenue for accommodation providers, which will result in increased future financial returns from the Visitor Levy.	<ul style="list-style-type: none"> • Increase in overnight accommodation occupancy rate • Increase in average cost per room per night • Increase in length of stay • Increased return from the Visitor Levy to Aberdeen City Council
Invest in measures which enable success in the visitor economy, benefit businesses, meet environmental and net zero goals, and achieve the aims of the Destination Strategy.	<ul style="list-style-type: none"> • Increase in number of businesses, third sector and other organisations engaged through delivery of the Destination Strategy, directly funded by the Visitor Levy • Progress update of advancement toward Council environmental and net zero goals in those areas supported by the Visitor Levy

<p>Fulfil Aberdeen’s potential as a leading leisure and business tourism destination by further establishing awareness of the city and supporting distinctive, high-quality experiences, venues and attractions to build demand and drive visits.</p>	<ul style="list-style-type: none"> • In line with Destination Strategy targets, increase in: <ul style="list-style-type: none"> ○ Awareness of Aberdeen as a location for a holiday or short break ○ Individual intention to visit ○ Views and Attitudes towards the destination (Net Promotor Score) • Increased win ratio for Convention Bureau and P&J Live conference and expo bids • Individual evaluation, including Return on Investment (ROI) of projects supported by the Visitor Levy
<p>Stimulate additional investment in venues, conferencing and expos, sport championships, culture and heritage, festivals and events; releasing the city’s talent to benefit the visitor economy and local communities.</p>	<ul style="list-style-type: none"> • For conferences, expos, sport championships, festivals, exhibitions, and events secured for the city <ul style="list-style-type: none"> ○ Increase in total number of events ○ Increase in high-value events of national and international significance ○ Positive Return on Investment (ROI) from larger and multi-year projects ○ Evaluation Reports for all supported projects
<p>Enhance the city for the benefit of visitors and residents, with profitable businesses, sustainable communities, rewarding jobs, and inclusivity for all.</p>	<ul style="list-style-type: none"> • Increase in employment levels in the visitor economy • Increase in average wages in the visitor economy • Increase in positive evaluation of the visitor economy in Destination Organisation-led business surveys • Improving metrics in Residential Survey via City Voice (data points based on annual projects) • Evaluation reports of all supported community projects

13. Forecast Revenues

The Visitor Levy (Scotland) Act 2024 states that charges must be a percentage of the room fee. Revenues generated from different levy rates have been forecast (including the impact

of exemptions for asylum seekers, those in receipt of disability related benefits and people using accommodation for overnight stay for hospital appointments). The estimates show that between £4.6 million and £10.7 million could be raised annually from a 5% and 10% (of room cost charge) levy if applied to all hotels, self-catering apartments, B&B/Guest house, short-term lets and hostels in Aberdeen¹.

Estimated Levy Generated			
Levy %	Low	Central	High
5%	£4.6m	£5m	£5.3m
7%	£6.35m	£7m	£7.6m
10%	£9.3m	£10.1m	£10.7m

The stock of available accommodation units by accommodation category has been obtained from the Aberdeen 2024 Accommodation Audit. Assumptions on occupancy rates and average room rates by accommodation category are shown below:

	Occupancy Rate (Low)	Occupancy Rate (Central)	Occupancy Rate (High)
Hotels	61.5%	65.6%	69.7%
Guest Houses /B&B /Inns	40.0%	48.0%	66.7%
Short Term Lets (Self Catering) and Serviced Apartments	36.5%	50.0%	54.0%

	Occupancy Rate (Low)	Occupancy Rate (Central)	Occupancy Rate (High)
Hotels	Assumed average since Sep 2018, including Covid Occupancy (CoStar)	Actual CoStar Jan - Nov 24	Average Occupancy since Sep 2018, excluding Covid (March 2020 - May 2021, CoStar)
Guest Houses /B&B /Inns	SG Scottish Occupancy Survey, Guest House/B&B Occupancy rate average 2019 -2021	SG Scottish Occupancy Survey, Guest House/B&B Occupancy rate average 2011 - 2021	Scotland Accommodation Survey Guest House, B&B Room Occupancy 2023
Short Term Lets (Self Catering) and Serviced Apartments	Scottish Accommodation Survey Self Catering Aberdeen & Grampian Occupancy 2023	SG Scottish Occupancy Survey, Guest House/B&B Occupancy rate average 2011 - 2021	SG Scottish Occupancy Survey, Guest House/B&B Occupancy rate average 2011 -2019

¹ These estimates were determined using varying sources to determine a low, central and high case scenario for each levy percentage rate. Sources include CoStar UK Limited, Scottish Government Occupancy Survey and Scottish Accommodation Survey.

These revenue forecasts must be considered with caution. Past performance of the sector may not accurately predict future performance. Further, there may be an impact on visitor demand as a result of the visitor levy. While many studies indicate that such demand is broadly unaffected by the introduction of a levy this is another source of uncertainty. For example, in Porto who introduced a tourist tax on 1 March 2018, the volume of overnight stays has continued to increase. Porto, with a population of 232,000, recorded a 22% increase in overnight stays to 5.9 million in 2023 from 2019, according to Portugal's National Statistics Institute².

When determining the right level for Aberdeen, consideration must be given to visitors' perceptions and how a charge compares with other cities, who may on an international level be seen as competitors. Among the cities that apply a percentage of the room cost, this varies from 4% in Budapest, 5% in Berlin, 6% in Bergamo to 7% in Amsterdam, and some even charge additional Euros per person per night on top of the percentage rates. In Scotland, Edinburgh and Highland Councils are both proposing a 5% levy rate.

For Aberdeen with an average room rate of around £70, a 7% rate would produce an average levy rate of around £4.90 per night. This is lower than the average levy rates for Glasgow (£5) and Edinburgh (£9) even at the higher percentage and could produce a significant revenue stream to develop the visitor economy while at the same time not burdening an already price sensitive local market with excess costs. It is for these reasons that a 7% levy rate is proposed.

14 Costs

14.1 Costs for Businesses – Accommodation Providers

Accommodation providers will be required to calculate and collect the visitor levy payable by visitors staying on their premises, and remit all levies collected to Aberdeen City Council. To comply with these requirements, accommodation providers could potentially incur both initial setup costs and ongoing administration costs.

14.1.1 Initial Setup Costs

This comprises of costs associated with undertaking or commissioning necessary updates or changes to existing property management systems, resource costs such as training for existing staff to learn new systems for remitting and billing with a visitor levy, and staff time in testing and piloting the new collection system.

Another component are costs associated with renegotiating existing contracts with third parties (such as third-party booking platforms or online travel agents) where a commission is based on the price of accommodation sales to exclude the cost of a visitor levy.

² Information taken from chart in Bloomberg Article dated July 2024 from Portugal's National Statistics Institute.

The Scottish Government in its 2023 consultation estimated these costs in the range of £150-£7,000 per accommodation provider depending on its size.

14.1.2 Ongoing Administrative Costs

Accommodation providers will be required to compile the relevant data return to comply with their new obligations, submit the data and payment to the Aberdeen City Council.

The ongoing costs are divided into the following:

- Costs associated with preparing regular visitor levy returns to the local authority (assuming one return per quarter).
- Costs associated with performing due diligence checks to ensure the correct visitor levy rate is applied to invoices.
- Costs associated with explaining to customers why a visitor levy has been added to their accommodation bill.

The Scottish Government in its 2023 consultation estimated these costs in the range of £200-£850 per annum per accommodation provider depending on its size.

14.1.3 Cost Recovery Proposal for Accommodation Providers

To ensure accommodation providers' costs are somewhat met it is proposed that a sum of 2.5% of proceeds collected for the levy payment is retained by the accommodation provider when they submit this return. This position can be reviewed by the local authority as part of the required three-year review of the visitor levy scheme.

14.2 Costs to Local Authorities (Aberdeen City Council)

Local Authorities will incur their own set-up and administration costs to ensure the collection and enforcement of the levy. An online platform is being developed by the Scottish Government's Improvement Service for levy collection.

Key features of the platform:

- A single platform for all local authorities, where accommodation providers will only need to register their properties once.
- Integrated with NDR (Non-Domestic Rates) and Council Tax for seamless validation.
- The platform can vary rates by geography and time to reflect local conditions.
- It records payments and sends enforcement emails to ensure compliance.
- The Improvement Service will provide dedicated customer service support to both businesses and local authorities.
- The platform will be jointly owned by IS for all local authorities and is designed to support a range of future capabilities, including a **cruise ship levy** module.
- **Penalty modules** to ensure compliance.

- The ability to monitor and track key data such as **rates** and **occupancy** by accommodation type, identifying any outliers and ensuring overall compliance with the levy

Development of the platform began in **October 2024**, with the full roll-out expected in **March 2026**. This is at least a full year before any scheme would come into effect in Aberdeen.

14.2.1 Set-up Costs

For Aberdeen City Council, the set-up cost will be **£60k**.

14.2.2 Ongoing Costs

To run the online platform IS estimate it will cost £500k annually. This is to be distributed across the participating local authorities. Currently, there are 2 proposed participating local authorities, with the potential to expand by another 8. Estimated annual running costs for Aberdeen City Council range between **£50k and £166k**, depending on the number of local authorities.

Additional human resources within Aberdeen City Council will be needed to monitor and enforce the payment of the levy and ensure robust evaluation and analysis of proposed and actual use of levy funds. 2.0 to 3.0 FTE is estimated with a range between **£96k and £131k**.

15 Net Revenues

The net annual revenues from the scheme will be the revenue from the scheme minus the costs recovery to accommodation providers and the costs incurred by Aberdeen City Council. We forecast these to be **£4.8m per annum** at a 5% levy rate, **£6.8m per annum** at a 7% levy rate and **£9.7m per annum** at a 10% levy rate.

Annex

A more detailed description of the proposed investment streams that net visitor levy funds will be used for is provided below.

Economic Growth and Competitive Edge (63%)

Business Tourism

- Convention Bureau Subvention Fund: New Convention Bureau-managed fund to attract one-off and repeat business events, expos and major conferences
- TECA Subvention Fund: Enhancement of existing fund to attract additional events specifically for the city's flagship business tourism venue

Leisure Tourism

- Culture & Events Subvention Fund: For large events, productions, sports championships, exhibitions, and festivals, aligned to the regional, national and international event criteria of the Event 365 Plan
- Culture & Sport Partner Fund: For the city's major creative and sport organisations to:
 - Grow and diversify audiences and participation
 - Enable innovation in programming, education and training
 - Maximise income generation
- Cultural Foundations Fund: Awarded to and facilitated by larger creative organisations to support emerging local talent in the creation of new, high-quality work by visual and performing artists, small producers and production companies

Note: A Subvention Fund is an amount of money able to be allocated to offset the costs for a conference or event, for example to waive fees, cover costs, or help subsidise a proposed activity. Subvention funds typically have conditions of use attached, such as covering rights holder payments to host events, costs of temporary event infrastructure, or technical support for conferences. Subvention funds may have conditions of use based on likely outcomes, examples include estimated economic impact of an event, public or delegate attendance, or number of overnight stays. The Council currently has such an arrangement with TECA.

Destination Marketing and Development (18%)

The Destination Strategy Fund aims to fulfil the city's strategic goals for the visitor economy; encouraging people to visit Aberdeen, stay longer and spend more.

It aims to:

- Maintain an effective, sustainable Destination Organisation
- Drive multi-day visits to the city through targeted marketing, communications and advertising campaigns
- Ensure local business, visitor attraction, and third sector awareness of market demands, trends and emerging opportunities for growth
- Support local businesses to develop and deliver distinctive, high-quality visitor experiences and adapt to new challenges, such as the climate emergency
- Help Aberdeen to provide an excellent, inclusive, visitor experience through volunteering programmes, accredited training, and skills development

Ring-fenced awards to the Destination Organisation and funded projects with businesses and third-sector organisations would ensure fulfilment of these aims.

Destination Readiness and Improvement (13%)

The Silver City Visitor Fund aims to improve the experience for business and leisure visitors once they are in Aberdeen; to surpass their expectations and provide impetus for repeat visits, favourable reviews, and positive word-of-mouth recommendations.

It would be focused on public spaces, enhancing already popular visitor areas, or improving others as market demands develop

It aims to:

- Enhance the public realm as used substantially by visitors
- Invest in measures to support visitor safety, mobility and accessibility
- Upgrade or replace assets proven to drive visitors to the city
- Provide a mechanism to support capital projects in the visitor economy

Use of funds must clearly and directly benefit the visitor economy but would elevate the existing experience of the city for both visitors and local communities, ensuring benefit for all.

Reserve Fund (5%)

A fund held in reserve and built-up over multiple years. Reserves could be capped at an upper limit e.g. at a level of 5% or projected levy income from the following 5-years. With any additional funds reallocated to uses outlined above.

It aims to:

- Reduce risk associated with long-term project, subvention or organisational funding
- Safeguard against unexpected downturn in levy receipts
- Ensure continuity of strategic goals in the event of levy projection shortfall
- Provide reassurance to events rights holders that the Council can fulfil any financial support or underwriting commitments

Appendix B - Aberdeen City Council Consultation response July 2025

Executive Summary

This report presents a detailed, data driven analysis of responses to Aberdeen City Council's consultation on the proposed Visitor Levy. Each consultation question is analysed with (i) how many people answered (out of 187 total returns), (ii) the percentage split of answers with absolute figures in brackets, and (iii) key themes from open-ended comments.

A total of **187 responses** were received:

- **68 organisations** (36.4%, 68/187)
 - **119 individuals** (63.6%, 119/187)
-

Section 1 – About You

Responding on behalf of an organisation?

(Answered by 187 / 187)

- Organisation: 36.4% (68)
- Individual: 63.6% (119)

Which category best describes you as a respondent to this consultation?

(Answered by 187 / 187)

- Aberdeen City resident: 41.2% (77)
- Visitor to Aberdeen from Scotland: 7.5% (14)
- Visitor to Aberdeen from elsewhere in the UK: 4.8% (9)
- Visitor to Aberdeen from overseas (non-UK resident): 1.6% (3)
- I run, or I am responding on behalf of, a business in Aberdeen: 20.9% (39)
- I am part of a representative group for business or tourism: 8.0% (15)
- I own property in Aberdeen but do not live there: 5.3% (10)
- I work in Aberdeen but do not live there: 5.3% (10)
- I have never been to Aberdeen: 1.6% (3)
- Other: 3.7% (7)

Narrative:

Respondents represented a wide variety of backgrounds. A plurality identified as Aberdeen City residents (77), followed by local business representatives (39). Visitors made up around 14% of the total, including domestic and international travellers. The spread reflects strong local engagement, with additional input from key tourism and business stakeholders. The majority of responses came from individuals (119), with a significant number (68) also representing organisations. Organisational responses often focused on operational implications, while individuals expressed broader community or consumer views.

Section 2 – Justification for the Visitor Levy

Q1: To what extent do you agree with Aberdeen City Council introducing a Visitor Levy?

(Answered by 181 / 187)

- Strongly agree: 14.9% (27)
- Agree: 25.4% (46)
- Neither agree nor disagree: 6.6% (12)
- Disagree: 14.4% (26)
- Strongly disagree: 37.0% (67)
- Don't know: 1.7% (3)

Narrative: 40.3% (73) of respondents were in favour of the levy, compared to 51.4% (93) opposed. Support came mainly from those citing tourism investment and alignment with other cities. Opposition, especially from smaller accommodation providers and individuals, focused on the financial and administrative burden.

Example comments (supportive):

- “The levy will help modernise Aberdeen’s visitor offer and bring in crucial investment.”
- “This is a fair approach used in other major European cities to support tourism.”

Example comments (opposed):

- “We are a small B&B – this is just more admin and more costs for no benefit.”
- “Aberdeen doesn’t have the visitor numbers to justify a levy – it will drive tourists away.”

Section 3 – Rate and Alternatives

Q3: Is the proposed 7 % rate appropriate?

(Answered by 165 / 187)

- Yes, 7% is appropriate: 17.6% (29)
- No, it should be lower: 36.4% (60)
- No, it should be higher: 2.4% (4)
- I don’t support a Visitor Levy at all: 41.2% (68)
- Don’t know: 2.4% (4)

Narrative: Only 17.6% (29) supported the proposed rate. Most wanted it to be lower 36.4% (60) or rejected the levy outright 41.2% (68). Common themes included affordability for visitors, flexibility based on season or type of accommodation, and competitiveness with other cities. A small minority argued for a higher rate tied to specific outcomes.

Example comments (supportive):

- “7% seems reasonable given how low Aberdeen’s nightly rate is compared to other cities.”

Example comments (opposed):

- “A flat 7% across all months and providers is blunt and unfair.”
- “It will make us less competitive with other Scottish cities – a disaster in winter months.”

Section 4 – Scope and Timing

Q5: Do you agree that the levy should apply to all forms of overnight accommodation?

(Answered by 179 / 187)

- Yes: 42.5% (76)
- No: 50.3% (90)
- Unsure: 7.3% (13)

Narrative: A small majority opposed a universal approach, citing disproportionate impact on smaller providers, especially B&Bs and hostels. Supporters viewed a universal levy as essential for fairness and to prevent loopholes.

Example comments (supportive):

- “The levy should be applied to all types of accommodation – otherwise it creates loopholes.”

Example comments (opposed):

- “Hostels and guesthouses shouldn’t be treated the same as international hotel chains.”

Q6: Is April 2027 an appropriate start date?

(Answered by 166 / 187)

- Yes: 45.8% (76)
- No, it should be later: 4.2% (7)
- I don’t support a Visitor Levy: 42.8% (71)
- Don’t know: 7.2% (12)

Narrative: Most of those not opposed to the levy found 2027 acceptable. A large number selected “I don’t support a Visitor Levy” (71), showing how opposition to the principle of a levy coloured opinions on its timing.

Section 5 – Use of Revenue and Governance

Q7: Do you agree with establishing a Visitor Levy Forum?

(Answered by 178 / 187)

- Yes: 49.4% (88)
- No: 37.1% (66)
- Don't know: 13.5% (24)

Narrative: Just under half of respondents supported creating a Visitor Levy Forum. Supporters welcomed accountability and oversight. Those opposed worried it would be ineffective or overly bureaucratic.

Example comments (supportive):

- “A Visitor Levy Forum is vital to ensure funds are spent transparently and effectively.”

Example comments (opposed):

- “Just another layer of governance we don't need.”

Q8: Do you agree with the three-year review period?

(Answered by 166 / 187)

- Yes: 31.3% (52)
- No, reviews should be more frequent: 49.4% (82)
- No, reviews should be less frequent: 3.0% (5)
- Don't know: 16.3% (27)

Narrative: Nearly half (82) wanted more frequent reviews to respond quickly to unintended consequences. Just under a third (52) supported the proposed three-year review cycle.

Q9: Do you agree with the proposed allocation of funds?

(Answered by 165 / 187)

- Yes: 37.6% (62)
- No, I would like different priorities: 36.4% (60)
- Don't know: 26.1% (43)

Narrative: Views were evenly split. Supporters welcomed investment in visitor experience and destination marketing. Others wanted stronger emphasis on community infrastructure or business support.

Section 6 – Exemptions

Q10: Do you agree with the proposed local exemption for medical travellers?

(Answered by 177 / 187)

- Yes: 70.1% (124)

- No: 17.5% (31)
- Don't know: 12.4% (22)

Narrative: This question received the highest level of agreement. Respondents saw this as a humane and fair exemption. A few raised concerns about enforcement and eligibility criteria.

Example comments (supportive):

- “Very welcome and humane – this exemption will protect vulnerable people.”

Example comments (critical):

- “Needs to go further – carers, students, displaced families should also be exempt.”

Section 7 – Administration

Q11: Do you agree with using a national digital platform?

(Answered by 177 / 187)

- Yes: 50.8% (90)
- No: 23.2% (41)
- Don't know: 26.0% (46)

Narrative: Half of respondents supported a national platform. Concerns focused on usability for smaller providers and the need for training or support. Many of those unsure sought more detail on how the platform would operate.

Q13: Do you support the 2.5 % rebate for providers?

(Answered by 158 / 187)

- Yes: 48.7% (77)
- No: 36.1% (57)
- Don't know: 15.2% (24)

Narrative: A slim majority supported the rebate to compensate for administrative duties. Critics argued that the 2.5% level was insufficient, particularly for small or seasonal businesses.

Q14: Do you agree with having no maximum number of nights the levy applies to?

(Answered by 174 / 187)

- Yes: 43.7% (76)
- No: 37.9% (66)
- Other (free text): 18.4% (32)

Narrative: Views were mixed. Supporters welcomed simplicity and fairness. Others raised equity concerns for long-stay guests such as temporary workers or displaced families.

Example comments (supportive):

- “It’s simplest this way—everyone pays equally.”

Example comments (opposed):

- “Stays over 10 nights should be exempt—this penalises long-stay guests.”
-

Section 8 – Open Feedback**Q15: Do you have any additional comments or suggestions regarding the proposed Visitor Levy in Aberdeen?** (Answered by 145 / 187)

Narrative: This open-text question invited a wide range of views. Key themes included opposition to the levy from small and independent providers, criticism of timing and proportionality, and the need for clearer reinvestment strategies. Many others voiced support—if the money raised was transparently reinvested into improving Aberdeen’s visitor offer.

Examples of opposition:

- “Aberdeen is not a tourist city – this levy will make things worse for struggling businesses.”
- “Don’t punish accommodation providers for decisions made elsewhere.”
- “The levy makes no sense in a city with poor transport links and few tourist draws.”

Examples of support:

- “I support a levy as long as it funds events, cleaning and visitor services.”
- “This could help boost Aberdeen’s profile – the city needs it.”

Suggestions offered:

- Introduce seasonal or income-based exemptions
- Trial the scheme on a pilot basis before full roll-out
- Use levy funds to improve signage, festivals, and night-time economy
- More consultation and co-design with hospitality sector

Written responses were received from VisitScotland, the Federation of Small Businesses, and Beatrice Wishart MSP. Common themes included strong support for long-term strategic investment in Aberdeen's visitor economy; concerns around the proposed 7% levy rate and its impact on small accommodation providers; the need for exemptions for those travelling for medical purposes; and a call for robust economic impact assessments, meaningful stakeholder engagement, and clear administrative guidance to ensure successful implementation.

Conclusion

Opinion on introducing a Visitor Levy remains divided: 40.3% (73) support vs 51.4% (93) oppose. Respondents emphasised fairness, clear communication, and streamlined administration. Clarity on levy use, thoughtful exemptions, and accessible systems for providers will be essential to ensure support.

ABERDEEN CITY COUNCIL

COMMITTEE	Finance and Resources
DATE	6 th August 2025
EXEMPT	No, but the Appendix is exempt under paragraph 6 of schedule 7A to the Local Government (Scotland) Act 1973 - information relating to the financial or business affairs of any particular person (other than the authority).
CONFIDENTIAL	No
REPORT TITLE	Opportunity to host the World Rally Championships in North East Scotland
REPORT NUMBER	CR&E/25/184
EXECUTIVE DIRECTOR	Gale Beattie
CHIEF OFFICER	Julie Wood
REPORT AUTHOR	Matthew Williams
TERMS OF REFERENCE	3.2

1. PURPOSE OF REPORT

- 1.1 To inform members of the opportunity to host the World Rally Championships (WRC) across the Aberdeen City, Aberdeenshire and Moray Council areas for three consecutive years and to seek approval to undertake planning and engagement exercises.

2. RECOMMENDATION(S)

That the Committee: -

- 2.1 Welcomes the opportunity for the North East of Scotland to host the World Rally Championships (WRC);
- 2.2 Instructs the Chief Officer - City Development & Regeneration to prepare a detailed project proposal for hosting the WRC, including engagement with relevant partners;
- 2.3 Instructs the Chief Officer - City Development & Regeneration to report the project proposal back to this Committee in November, with detailed costings and partnership feedback, including potential funding options and risk mitigation; and
- 2.4 Authorises the Chief Officer – City Development & Regeneration to approve travel for up to two officers for a scoping visit to a World Rally Championship event, to be funded from the International Trade Budget and/or the City Promotions budget, should the opportunity arise in this financial year.

3. CURRENT SITUATION

- 3.1 The FIA World Rally Championship (WRC) is a globally recognised motorsport series. Motorsport UK, in partnership with EventScotland and the WRC Promoter, has identified the North East of Scotland as a preferred host location for a UK round of the WRC for an initial three-year period (2027–2029). The event would be headquartered at P&J Live in Aberdeen, with stages across Aberdeen, Aberdeenshire and Moray.
- 3.2 The WRC provides a strategic opportunity to:
- Showcase Scotland's motorsport heritage and innovation in sustainable fuels.
 - Deliver an estimated €100 million economic impact over three years.
 - Generate significant GVA through tourism, hospitality, and supply chain activity.
 - Engage communities through STEM education, mental health initiatives, and volunteering.
 - Align with the Regional Economic Strategy, Net Zero ambitions and Event365 Plan.
- 3.3 Aberdeen City Council's role would include coordination with partners and stakeholders to support infrastructure, logistics, and community engagement. Additional external funding would be sought for the wider STEM and community engagement activities.
- 3.4 Aberdeen City Council would also be required to provide support to the event and the estimated ask on these resources would be outlined in the project proposal for committee. For example, Events, Planning, Roads, Environmental Health, Communications, PO&D, Finance and IT Teams with opportunities for Employability, Education, Culture, Net Zero and Community Teams across the Council to maximise the event's potential for learning and skills development. Learning from Tall Ships would be incorporated into the proposal along with the economic and wider benefits.
- 3.5 The Events Team was recently asked to attend the World Rally Championship in Finland with Events Scotland and partners to hear more about the impact on the city and logistics involved. There is currently no delegated power in place to approve travel outside of the UK and due to the short notice, ACC officers were unable to attend. The recommendation in 2.4 seeks to allow for a quick decision to send one or two officers to an event should Committee instruct a report on WRC as per 2.3 and such an opportunity for a learning visit becomes available again.

4. FINANCIAL IMPLICATIONS

- 4.1 The feasibility study included as the appendix to this report outlines an indicative ask of £1 million per year for 3 years, shared between Aberdeen City, Aberdeenshire, and Moray Councils. Depending on the division of costs this would mean an annual contribution of between £333,000 and £500,000 in 2027, 2028 and 2029 from the Council.
- 4.2 The preferred funding mechanism that would be explored as part of the project proposal would be the proposed Visitor Levy under the Visitor Levy (Scotland) Act 2024. However, the Council may need to underwrite the relevant contribution sums if Visitor Levy revenues prove to be insufficient, if the Levy is delayed or if it is decided not to proceed with a Levy.
- 4.3 Detailed costings and partnership updates will be developed, including funding options and risk mitigation.

5. LEGAL IMPLICATIONS

- 5.1 There are no direct legal implications at this stage.
- 5.2 Legal advice will be sought as partnership and funding agreements are developed.

6. ENVIRONMENTAL IMPLICATIONS

- 6.1 The WRC races will run on P1 Fuel, a fossil-free replacement for petrol. It is made from agricultural residues. It does not compete with the food industry. This fuel reduces greenhouse gas emissions by over 77% aligning with Aberdeen's Net Zero Routemap.
- 6.2 The event would:-
- Promote low-emission technologies and sustainable event practices.
 - Be used as a platform to showcase Aberdeen's net zero ambitions and green transport initiatives.

7. RISK

Category	Risks	Primary Controls/Control Actions to achieve Target Risk Level	*Target Risk Level (L, M or H) *taking into account controls/control actions	*Does Target Risk Level Match Appetite Set?
Strategic Risk	There is collaboration and	Agreement to proceed and	M	Yes

	agreement required across Aberdeen, Aberdeenshire, and Moray	commitment to funding from partner councils would be required to proceed		
Compliance	There is a risk that carbon impact is not fully considered	Environmental assessments will be undertaken to ensure compliance and identify opportunities for carbon offsetting.	L	Yes
Operational	Delivering a complex, multi-location international event poses logistical and operational challenges	Event planning and delivery frameworks would be developed in partnership with experienced motorsport and event management bodies.	L	Yes
Financial	There is a risk of financial exposure if projected funding from Visitor Levy or other income does not materialise	This would need to be agreed at Committee once all costs were known. Motorsport UK has committed to underwriting the event, significantly reducing the financial burden on public funds	M	Yes
Reputational	There is a reputational risk if the public perceives the event as a misuse of funds: Concerns may arise over the use of council or regional budgets, especially	Economic benefits should be clearly evidenced and widely felt, Motorsport UK has committed to underwriting the event, and multi-year agreements are	L	Yes

	during times of financial constraint.	designed to spread costs and maximise return on investment		
Environment / Climate	There is a reputational and environmental risk if the event is perceived to conflict with climate goals.	<p>The event will showcase sustainable fuels and implement a carbon planning framework.</p> <p>It aligns with the Net Zero Routemap and will promote low-emission technologies</p>	L	Yes

8. OUTCOMES

COUNCIL DELIVERY PLAN 2025-26	
	Impact of Report
Aberdeen City Council Policy Statement <u>Working in Partnership for Aberdeen</u>	<p>The policy emphasises transforming Aberdeen into a better place to live, work, and visit. Hosting a WRC event would:</p> <ul style="list-style-type: none"> • Attract national and international visitors, boosting tourism and hospitality sectors. • Create temporary and potentially long-term employment opportunities. • Showcase Aberdeen as a dynamic, outward-looking city, supporting the policy's ambition to improve quality of life and economic resilience.
Local Outcome Improvement Plan 2016-2026	
Prosperous Economy Stretch Outcomes	<p>The event is expected to generate significant economic impact through tourism and local business engagement, support hundreds of jobs, and offer accredited volunteering and training opportunities. It also promotes innovation and sustainability by showcasing hybrid rally technologies, aligning with the city's Net Zero ambitions, and positioning Aberdeen as a dynamic, investable destination</p>

<p>Prosperous People Stretch Outcomes</p>	<p>The WRC event includes the opportunity for a programme of STEM outreach and volunteering initiatives that would:</p> <ul style="list-style-type: none"> • Inspire young people to pursue careers in engineering, digital media, and event management, contributing to Stretch Outcomes 3–8. • Provide structured volunteering roles for adults, including training and accreditation, supporting Stretch Outcomes 9–13. • Enable targeted engagement with schools and colleges across Aberdeen, Aberdeenshire, and Moray, with a focus on priority neighbourhoods and underrepresented groups. <p>These initiatives align with LOIP improvement aims such as:</p> <ul style="list-style-type: none"> • Increasing the number of young people entering positive destinations post-school. • Expanding access to volunteering and employability pathways for adults. • Supporting mental wellbeing and community participation through inclusive event programming.
<p>Prosperous Place Stretch Outcomes</p>	<p>The proposals within this report support the delivery of LOIP Stretch Outcome 13: addressing climate change by reducing Aberdeen’s carbon emissions and adapting to the impacts of our changing climate.</p> <p>The WRC event will:</p> <ul style="list-style-type: none"> • Showcase the use of sustainable fuels and hybrid rally technology, aligning with the city’s Net Zero Routemap. • Implement a carbon planning framework to minimise environmental impact, including active travel promotion, waste reduction, and local sourcing. • Provide a platform to promote Aberdeen’s climate leadership to a global audience, reinforcing the city’s reputation as a forward-looking, sustainable destination.
<p>Community Empowerment Stretch Outcomes</p>	<p>The proposals within this report support the delivery of LOIP Stretch Outcome 16 – 50% of people report</p>

	<p>they feel able to participate in decisions that help change things for the better by 2026.</p> <p>The WRC planning process will:</p> <ul style="list-style-type: none"> • Involve local communities in shaping event delivery through co-design workshops and neighbourhood engagement. • Offer community-led programming opportunities, including cultural showcases and local enterprise stalls. • Ensure that decisions about event legacy and reinvestment are informed by community voices, particularly in areas directly impacted by the event footprint.
Regional and City Strategies	<p>Regional Economic Strategy (RES) 2035 The WRC proposal aligns with the RES's focus on:</p> <ul style="list-style-type: none"> • Tourism and place-based growth: Hosting a global motorsport event enhances the region's international profile and supports the visitor economy. • Innovation and skills: The event's STEM outreach and volunteering programmes contribute to workforce development and graduate retention. • Infrastructure leverage: The WRC would utilise and promote regional transport and digital infrastructure, supporting the RES's emphasis on connectivity. <p>Regional Transport Strategy The WRC supports the strategy's shift toward mobility, people, and place by:</p> <ul style="list-style-type: none"> • Encouraging active travel and public transport use through event planning. • Demonstrating how major events can be integrated into sustainable transport planning. • Providing a testbed for mobility innovation and crowd movement management. <p>Regional Skills Strategy The WRC contributes to skills development by:</p>

	<ul style="list-style-type: none"> • Offering volunteering and training opportunities in event management, logistics, media, and engineering. • Engaging with schools and colleges to promote career pathways in motorsport, tourism, and sustainability. <hr/> <p>City Strategies and Strategic Plans</p> <p>Local Development Plan (LDP) The WRC aligns with the LDP's aims to:</p> <ul style="list-style-type: none"> • Promote Aberdeen as a vibrant, attractive city. • Support sustainable development and infrastructure use. • Enhance the city's cultural and leisure offer. <p>Local Housing Strategy While not directly housing-related, the WRC supports the strategy's goals by:</p> <ul style="list-style-type: none"> • Attracting inward investment that can stimulate housing demand and regeneration. • Enhancing the city's appeal to residents and potential new workers. <p>Children's Services Plan The WRC's youth engagement programme supports:</p> <ul style="list-style-type: none"> • Positive destinations for young people. • Inclusion through targeted outreach in priority neighbourhoods. • Opportunities for young people to participate in city life and decision-making. <p>Net Zero Routemap for the City The WRC supports climate goals by:</p> <ul style="list-style-type: none"> • Showcasing hybrid and sustainable rally technologies. • Implementing a carbon planning framework for event delivery.
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	<ul style="list-style-type: none"> Promoting Aberdeen's net zero ambitions to a global audience. <hr/> <p>Council Strategies</p> <p>Medium Term Financial Strategy The WRC supports financial sustainability by:</p> <ul style="list-style-type: none"> Attracting external funding and sponsorship. Generating economic uplift through tourism and local spend. Offering a scalable model for future event-led regeneration. <p>Estates and Assets Strategy The WRC leverages existing public assets (e.g. parks, roads, venues) to:</p> <ul style="list-style-type: none"> Maximise community benefit. Demonstrate flexible, multi-use asset planning. Support the Council's ambition to optimise estate use for economic and social return.
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9. IMPACT ASSESSMENTS

Assessment	Outcome
Integrated Impact Assessment	No assessment required at this time. A full Impact Assessment will be developed at the next stage. I confirm this has been discussed and agreed with Julie Wood, Chief Officer, City Development and Regeneration 09/07/2025.
Data Protection Impact Assessment	not required.
Other	Not at this time

10. BACKGROUND PAPERS

10.1 [More details emerge on Scotland's WRC bid - RallyJournal.com](#)

10.2 [Feasibility study for Rally GB 2026 WRC return begins – DirtFish](#)

11. APPENDICES

11.1 Appendix A: WRC Feasibility Study - Exempt

12. REPORT AUTHOR CONTACT DETAILS

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ABERDEEN CITY COUNCIL

COMMITTEE	Finance and Resources
DATE	06 August 2025
EXEMPT	No
CONFIDENTIAL	No
REPORT TITLE	Ferryhill School and Harlaw Academy Suitability Improvements
REPORT NUMBER	CR&E/25/173
EXECUTIVE DIRECTOR	Gale Beattie
CHIEF OFFICER	Alan McKay
REPORT AUTHOR	Colin Kemp
TERMS OF REFERENCE	1.1

1. PURPOSE OF REPORT

- 1.1 The purpose of this report is to update on progress and confirm future reporting arrangements for Ferryhill School and Harlaw Academy Suitability projects identified within the approved Capital Programme.

2. RECOMMENDATIONS

That the Committee :-

- 2.1 Note the advance and enabling development works undertaken to date to reduce risk to the main construction works and mitigate educational disruption.
- 2.2 Note that the works carried out to date remain within the Capital Plan budget envelope and that work continues towards collating the main costs that will allow completion of the full business case.
- 2.3 Instruct the Chief Officer – Capital to continue to progress all necessary procurements, approvals, permissions, licenses, agreements and consents required to develop and implement the projects within the Capital Programme budget, reporting progress through the regular capital programme monitoring reports to this committee and to circulate for information the full business Cases for each project to committee members once completed.

3. CURRENT SITUATION

- 3.1 At its meeting on 8 September 2022, the former Education Operational Delivery Committee approved the Council's School Estate Plan, and instructed officers to take forwards a detailed action plan to develop and improve the school estate. This included an instruction for officers to carry out feasibility studies, that included Ferryhill School and Harlaw Academy, to identify options for improving the suitability of schools.
- 3.2 Following the completion of those feasibility studies, outline business cases were prepared for the 8 May 2024 Finance and Resources Committee. These set out the findings and provided an analysis of the options available for improving the suitability of the school buildings. The Committee resolved to approve the outline business cases and approved the use of resources to take forward the proposals.
- 3.3 Works have progressed following the committee decision on 8th May 2024 with progress reports provided as part of the Capital Programme Delivery : Projects Updates to the 12th September 2024 and 26th March 2025 Finance and Resources Committees, and service updates were also issued before the Finance and Resources Committee on 7 May 2025
- 3.4 The Ferryhill School Suitability Improvements aim to address critical suitability issues that have reached a point of necessitating immediate action. It was recognised that the existing facilities are no longer suitable for the growing number of pupils using them and are negatively impacting the school's operations, this includes:-
- A new dining facility to accommodate the growing roll, a new nursery to improvement direct access to external play areas to promote child development, external improvements to increase the usable outdoor space, improving supervision and improving safety, new PE facilities to replace the existing spaces that do not conform to current guidance standards, improving the existing teaching block to improve accessibility and its suitability as an education space.
 - Based on the latest Condition and Suitability reports changing the current suitability rating of grade D (not fit for purpose) to grade A (fully fit for purpose) when the work is completed. The grading is based on the guidance issued by the Scottish Government.
 - As noted in the Service Update issued in May 2025, after reviewing the feedback received during project development, in particular concerns around the decant of the school to Walker Road and the disruption this could cause to the operation of the school, pupils and parents, the proposals where updated and a review of the delivery and procurement strategy was undertaken

- The review identified a compliant procurement route that could minimise disruption, and address concerns about the length of time children would be relocated to Walker Road. To do so a decision was made to bring forward the design to start of construction of the standalone nursery from May 2025 to January 2025 with a proposed completion date of summer 25.
- On completion of a market testing exercise, and subsequent analysis of the cost, a Main Contractor was appointed to carry out the construction of the Nursery. Works commenced late January with an anticipated completion date summer 2025. This will allow nursery provision to remain onsite, without the need to decant the children to Walker Road School, for the duration of the works. This also removed the need for school transport with the associated savings.
- The design process for the refurbishment and extension of the existing Ferryhill School has now been completed, tender documents prepared and the procurement is underway. The start date is expected to be summer 2025 with an expected completion date of summer 2026. In order to achieve the completion date the Full Business Case and contract award will need to be agreed and issued in August 2025.

3.5 The Harlaw Academy Suitability Improvements aim to address critical suitability issues that have reached a point of requiring immediate action, This includes:-

- A new dining facility, additional PE space onsite, a building with improved flexibility and better use of space across the whole site.
- Based on the latest Condition and Suitability reports changing the current suitability rating of grade D (not fit for purpose) to grade B (satisfactory) on completion of the works. The grading is based on the guidance issued by the Scottish Government.
- In order to de-risk, and to manage the project being carried out while the school remains operational, the works have been broken down into 3 work packages, enabling works, internal refurbishment and the new extension. Each package is on a separate timeline to allow the works to start in summer 2025. However, some elements cannot start until the extension has been completed and handed over to maintain continuity of services, such as the kitchen and dining room arrangements.
- The enabling works have been completed and internal works are planned for summer 2025.
- The design process for the extension of the existing school has been completed, tender documents prepared and the procurement is underway. The target construction start date is summer 2025 with an expected completion date of summer 2026. In order to achieve the

completion date the Full Business Case and contract award will need to be agreed and issued in August 2025.

3.6 The Harlaw Pavilion project forms part of the overall Harlaw Academy Suitability Improvements programme that aims to address critical suitability issues that have reached a point of necessitating immediate action. The project includes:-

- Improving the delivery of the PE curriculum, as this is posing challenges as the school timetable is based around Physical Education (PE) as most of it is delivered off site. This means that double periods for offsite PE is a necessity to allow travel time to and from the pitch at Groats Road, Hazlehead.
- The demolition of the existing pavilion to make way for the new facility is due to start in July 2025
- Creation of a new Harlaw Pavillion that will allow the Harlaw Road Playing Fields to be used as the main outdoor PE provision for Harlaw Academy.

3.7 The design process for the new pavilion has been completed, tender documents prepared and the procurement is underway. The target start date is summer 2025 and an expected completion date of spring 2026. The completion date is linked with the planned replacement building for Hazlehead Academy - Harlaw PE provision requires to be relocated to Harlaw Road to allow Hazlehead PE provision to temporarily move to Groats Road prior to construction of the new school building on playing fields adjacent to Hazlehead Academy. In order to achieve the completion date the Full Business Case and contract award will need to be agreed and issued in August 2025.

4. FINANCIAL IMPLICATIONS

- 4.1 Individual project expenditure and budgets are routinely reviewed by project managers and against the approved Capital Programme by the Chief Officer – Capital.
- 4.2 As the projects develop outturn cost checks will be carried out, if necessary value engineering exercises are implemented to manage the individual project budgets.

5. LEGAL IMPLICATIONS

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

6. ENVIRONMENTAL IMPLICATIONS

- 6.1 There are no direct environmental implications arising from the recommendations of this report.

7. RISK

Category	Risks	Primary Controls/Control Actions to achieve Target Risk Level	*Target Risk Level (L, M or H) <i>*taking into account controls/control actions</i>	*Does Target Risk Level Match Appetite Set?
Strategic Risk	Failure to manage Council finance and resources could lead to failure to achieve strategic objectives	Regular financial reporting and monitoring activities, to incorporate financial resilience to address financial pressures arising in year is maintained and monitored.	M	Yes
Compliance	Failure to be able to comply with project requirements	Increase site visits and monitoring of the construction works. If required, review alternative options as soon as possible.	L	Yes
Operational	Disruption to the schools and impact on the school curriculum	Engage with the schools and plan the works around the school needs and requirements. Decant school to another setting if appropriate.	M	Yes
Financial	Escalation of costs	Early contractor engagement and management of risk during the design and delivery phase. Delivering on programme to minimise inflationary costs	M	Yes

		impacting on the budget.		
Reputational	Programmes/projects being delayed or stopped	As above	M	Yes
Environment / Climate	Failure to consider sustainable options due to costs.	Ensure all contracts consider environmental considerations, and early market engagement is conducted to seek market intelligence.	M	Yes

COUNCIL DELIVERY PLAN 2025-26	
	Impact of Report
Aberdeen City Council Policy Statement <u>Working in Partnership for Aberdeen</u>	<u>A City of Opportunity</u> Policy Statement 2 - Review and invest in our school estate, ensuring all of Aberdeen's schools are fit for the educational needs and the challenges of the 21st century.
<u>Local Outcome Improvement Plan 2016-2026</u>	
Prosperous People Stretch Outcomes	Prosperous People: The project will support Stretch Outcome 8 in the LOIP - <i>Child friendly city where all decisions which impact children and young people will be informed by them by 2026</i> . Ongoing stakeholder engagement will help ensure that the views of children and young people will be taken into account.
Prosperous Place Stretch Outcomes	The updated School Estate Plan supports the delivery of Stretch Outcome 13 in the LOIP – Addressing climate change by reducing Aberdeen's carbon emissions by at least 61% by 2026 and adapting to the impacts of our changing climate. The proposed improvements to the school site will assist in reducing carbon emissions from the school estate
Regional and City Strategies	This project forms part of the School Estate Plan which will support the delivery of the Council's Property and Estates Strategy and the Net Zero Routemap for Aberdeen City.

9. IMPACT ASSESSMENTS

Assessment	Outcome
Integrated Impact Assessment	Integrated Impact Assessments for each of the projects have been completed.
Data Protection Impact Assessment	Not Required
Other	Not required

10. BACKGROUND PAPERS

- 10.1 Council Budget Meeting -05 March 2025 - Report No CORS/25/048
- 10.2 Council Budget Meeting -06 March 2024 - Report No RES/24/061
- 10.3 Finance & Resources Committee – 8 May 2024 Report No F&C/24/134
- 10.4 Finance & Resources Committee – 7 May 2025 – Service Updates

11. REPORT AUTHOR CONTACT DETAILS

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ABERDEEN CITY COUNCIL

COMMITTEE	Finance and Resources
DATE	06 August 2025
EXEMPT	This report is not exempt, but Appendices 2 and 5-11 are (paragraph 8)
CONFIDENTIAL	No
REPORT TITLE	Work Plan & Business Cases
REPORT NUMBER	CORS/25/175
DIRECTOR	Andy MacDonald
CHIEF OFFICER	Craig Innes
REPORT AUTHOR	Mel Mackenzie
TERMS OF REFERENCE	1.1.5 & 1.1.6

1. PURPOSE OF REPORT

- 1.1 The purpose of this report is to present procurement work plans where expenditure is included for the Corporate Services and the Families and Communities Functions to Committee for review and to seek approval of the total estimated expenditure for the proposed contracts as contained in the work plans and Procurement Business Cases appended to the report.

2. RECOMMENDATIONS

That the Committee: -

- 2.1 reviews the workplan as detailed in the Appendices for the Corporate Services and Families and Communities Functions;
- 2.2 approves the procurement business cases, including the total estimated expenditure for the proposed contracts;
- 2.3 notes the content of Appendix 3 – 3.10 Memo Approvals and Appendix 4 – 4.1.3 Technical Exemption Approvals.

3. CURRENT SITUATION

- 3.1 The ACC Procurement Regulations 2024 require that authority to incur expenditure must be sought prior to any invitation to tender or contract entered into. Contracts above £50,000 (supplies/services) or £250,000 (works) to be listed on a workplan with an associated Procurement Business Case and submitted by the relevant Chief Officer to the Finance and Resources Committee, committee approval is required prior to the procurement being undertaken.
- 3.2 Committee is asked to review the Corporate Services and Families and Communities Functions work plans and to approve the expenditure detailed in the Procurement Business Cases appended to the report.

4. FINANCIAL IMPLICATIONS

- 4.1 The indicative value of the proposed contract is shown within the workplan and 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 robust 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.

5. LEGAL IMPLICATIONS

- 5.1 The contracts shall be procured in accordance with procurement legislation and the Commercial Legal Team within C&PS shall provide legal advice, legal commentary has been sought and is included within each Business Case.

6. ENVIRONMENTAL IMPLICATIONS

- 6.1 Consideration is included within each Business Case as to how the proposed contract will support the Council's climate commitments. If these are not to be included, officers are asked to confirm why this is the case. Standard wording is included in procurement templates to ensure this is captured at tender stage through to awarded contract.

7. RISK

Category	Risks	Primary Controls/Control Actions to achieve Target Risk Level	*Target Risk Level (L, M or H) *taking into account controls/control actions	*Does Target Risk Level Match Appetite Set?
Strategic Risk	Contract expectations not being monitored or managed.	Contract Management consideration in business cases, guidance and training available for officers.	M	Yes
Compliance	Failure to comply with internal procurement regulations and procurement legislation	Robust process for review of individual business cases and proposed approach to procurement.	L	Yes

Operational	Unable to control demand	Robust process and focus on demand reduction strategies, contract terms developed to be more flexible.	L	Yes
Financial	Escalation of costs Differing market conditions depending on commodity or service	A strong focus on value for money in all commissioning activities and market engagement or use of Business Intelligence to engage with market / ascertain changes/trends.	M	Yes
Reputational	Insufficient information provided by officers, lack of transparency.	Robust process for review of individual business cases and proposed approach to procurement.	L	Yes
Environment/ Climate	Failure to consider sustainable options.	Environmental consideration within business cases and environmental clauses within tender documents.	L	Yes

8. OUTCOMES

<u>COUNCIL DELIVERY PLAN</u>	
	Impact of Report
Aberdeen City Council Policy Statement	The ability to have an overview of contract expenditure is aligned to Core Outcomes of the LOIP and the whole systems commissioning cycle approach.

Aberdeen City Local Outcome Improvement Plan	
Stretch Outcomes (Prosperous Economy/People/Place)	Community Benefits, Fair Work and Climate requirements are incorporated into all ACC Procurement Activity, consideration is given to the Stretch Outcomes within the LOIP at the development phase.
Regional and City Strategies	Details of anticipated outcomes and how they support key strategies are contained within the business case attached.
UK and Scottish Legislative and Policy Programmes	Details of the legislative and policy programmes to be complied with is contained within the business case attached.

9. IMPACT ASSESSMENTS

Assessment	Outcome
Integrated Impact Assessment	N/A - IIA screening and assessment will be conducted where required for individual business cases.
Data Protection Impact Assessment	Not required
Other	Not required

10. BACKGROUND PAPERS

None

11. APPENDICES

Public

Appendix 1- Final Revenue Work Plans- PUBLIC_FR_060825

Appendix 3_3.10 Memo's (Exemption Urgency) _PUBLIC_F&R_060825

Appendix 4_4.1.3 Forms (Technical Exemption) _PUBLIC_F&R_060825

Private

Appendix 2_Final Revenue _Work Plans_PRIVATE_F&R_060825

Appendix 5_BC_Employee Benefits_PRIVATE_F&R_060825

Appendix 6_BC_Keyholding & Out of Hours_PRIVATE_F&R_060825

Appendix 7_PIV Installations_PRIVATE_F&R_060825

Appendix 8_BC_Children with Disabilities Support_PRIVATE_F&R_060825

Appendix 9_BC_Strategic Demolitions_PRIVATE_F&R_060825

Appendix 10_SXL Fostering & Continuing Care_PRIVATE_F&R_060825

Appendix 11_BC_Water Audit 2025_PRIVATE_F&R_060825

12. REPORT AUTHOR CONTACT DETAILS

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Appendix I: Revenue Work Plans Public	Corporate Services Work Plan	Committee: Finance & Resources	Date of Committee: 06 August 2025
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Reference	Function	Cluster	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
CRN00040313	Corporate Services	People and Citizen Services	Childcare Vouchers and Cycle to Work employee benefits schemes	Revenue	01/09/2025	31/08/2027	24	31/08/2029	The contract for the provision of Childcare Vouchers and Cycle to Work will ensure the council can continue to offer this facility as an employee benefit through the salary sacrifice scheme and will provide income and savings to the council. Salary sacrifice is a government backed scheme to help employers and employees save on tax costs.

Appendix I: Revenue Work Plans Public	Families & Communities Work Plan	Committee: Finance & Resources	Date of Committee: 06 August 2025
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Reference	Function	Cluster	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
CRN00040070	Families and Communities	Corporate Landlord	Keyholding and Out of Hours Emergency Response	Revenue	01/09/2025	31/08/2028	0	31/08/2028	This procurement is essential to ensure the continued security of our school, other operational and commercial premises, by having a security provider contracted to attend alarm system activations which occur outside of normal working hours.
CRN00038069	Families and Communities	Corporate Landlord	PIV Installations incl. Associated Damp Proofing & Rot Works	HRA	01/04/2026	31/03/2027	36	31/03/2030	Contract for the provision of PIV installation and associated damp proofing works to tenanted properties and also the treatment of rot works which will ensure the council meet its statutory duty to maintain tenanted properties in a habitable state.
CPCC019351	Families and Communities	Children's Social Work & Family Support	Children with Disabilities Support Service	Revenue	01/11/2025	31/10/2026	0	31/10/2026	Contract for the for the provision of a Children with Disabilities Support Service, which will ensure that the Council can meet its statutory duty to support children and young people with disabilities and their families under the Children and Young People (Scotland) Act 2014
TBC	Families and Communities	Corporate Landlord	Strategic Demolitions	Revenue	07/08/2025	06/08/2027	12	06/08/2028	Demolition of surplus assets supports the service's plan by completing the Corporate Landlord Vacant & Surplus procedure. Assets which have been declared surplus and vacant at Capital Board level have been reviewed and alternative uses have been considered by officers. Where alternative utilisation has not been identified, assets have been brought to market. If a sale has not been achieved, the asset has no practical use and demolition is the only tangible course of action.

Reference	Function	Cluster	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
CPCC003954	Families and Communities	Children's Social Work & Family Support	Scotland Excel Fostering and Continuing Care Services Framework (1020)	Revenue	01/07/2020	30/06/2025	18	31/12/2026	Contract for the provision of Fostering and Continuing Care Services which will ensure the Council can meet its statutory duty to comply with the provision of foster care placements is a statutory requirement under the Children and Young People (Scotland) Act 2014.
CPCC003954	Families and Communities	Children's Social Work & Family Support	Scotland Excel Fostering and Continuing Care Services Framework (1020)	Revenue	01/01/2027	31/12/2031	0	31/12/1931	Contract for the provision of Fostering and Continuing Care Services which will ensure the Council can meet its statutory duty to comply with the provision of foster care placements is a statutory requirement under the Children and Young People (Scotland) Act 2014.
CRN00040294	Families and Communities	Corporate Landlord	Provision of water gainshare audit services	Revenue	01/12/2025	30/11/2027	12	30/11/2028	The call off contract described in the business case is for the provision of a follow up water gainshare audit. This contract will help to ensure that the water related savings and refunds, some of which were identified as part of the initial audit and any newly identified savings and refunds are returned to ACC as outlined in the business case.

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Appendix 3 - 3.10 Memo's (Exemption Urgency)

Function	Cluster	Description of Contract	Estimated Start date of Contract	Estimated End date of Contract	Total Estimated Contract Value £	Summary of explanation of why the contract was urgently required and justification for suspension of procurement regulations, in whole or in part:
City Regeneration and Environment	City Development & Regeneration	<p>Tall Ships Aberdeen 2025 - Free Bus Travel - Provision of free bus tickets, provided by First Bus Aberdeen.</p> <p>First Bus will provide 25,000 day tickets for £100,000, these would be paid for through the funding available and would be free of charge for 25,000 passengers to claim. This is providing a significant volume of day tickets at a cost of £4.00 per ticket, which is a discount over the actual cost of £5.55.</p> <p>Over and above this, First will also support the event, by offering in kind a 50% off incentive to all other customers out with the initial free promotion tickets. 50% off will be valid on digital platforms and throughout their Two Trip, Day, 3 Day, and 5 Day ticket range, it will not include Singles, Flexi Singles, Weekly, Monthly nor promotion tickets.</p>	19/07/2025	22/07/2025	£100,000.00	<p>Following a request from Councillor Greig, grant funding for free or discounted bus travel during the Tall Ships event was identified and successfully sought. Procurement Regulations 4.1.1.8 iii specifically states that "if the applicable regulation cannot be complied with due to time constraints relating to the expenditure of the grant[...] this would be considered grounds to suspend the applicable regulation under procurement regulation 3.10.</p> <p>A direct award to First Aberdeen was made because of their extensive network across the majority of Aberdeen.</p> <p>The urgency was for free bus travel to be set up and promoted in advance of the event and to enable First Bus to determine their resource provisions for the event, based on possible passenger numbers.</p>
Corporate Services	People & Citizen Services	<p>Provision of Free Period Products - Provision of free period products in schools, Council buildings and community venues, in accordance with the Period Products (Free Provision) (Scotland) Act 2021. Continue awareness raising of the Scottish Government/Aberdeen City Council initiative to contribute to maximising uptake.</p> <p>Purchase, organise, deliver, and make accessible, in appropriate and dignified manners, period products to schools, other council facilities and the wider community on an as and when required basis and responsive to the facilities storage capacity. Reaching the wider community will involve establishing relationships on this provision with, as well as public sector partners, voluntary and private sector organisations</p>	01/04/2025	31/03/2026	£167,000.00	<p>Since 2017, Aberdeen City Council has developed the provision of free period products to alleviate period poverty, through a service level agreement with CFINE. Following the introduction of Period Products (Free Provision) (Scotland) Act 2021 Aberdeen City Council produced and communicated a "Statement on Exercise of Functions" to summarise the arrangements in place to meet the legal duties imposed by the Act, in partnership with CFINE, agreed at Operational Delivery Committee on 31 August 2022. Provision has been funded by the Scottish Government, and in 2025-26 is baselined into the Local Government settlement. This has not allowed sufficient time for internal approvals to be sought. The contract is required to ensure the continuation of the provision of free period products to meet the legal duties of the Period Products (Free Provision) (Scotland) Act 2021. A full business case will be prepared for 2026/27.</p>
City Regeneration and Environment	Operations	<p>Waste Composition Analysis - Waste composition analysis campaign from the period of May 26th - July 11th 2025 (commencement meeting 19th May). This is to analyse ACC's household kerbside collection service for individual wheeled bins (Residual, Recycling, and organics) and communal bins (Residual and recycling).</p> <p>The data from this analysis will then be used to inform ACC's waste strategy on service changes to meet the requirements of new legislation, drive behaviour change and achieve efficiencies.</p>	14/05/2025	11/07/2025	£93,552.00	<p>The waste composition analysis was initially tendered with an expectation of a value below £50k considering previous years bids, which although slightly different from this tender was not thought to vary as so much to cause issues. Once the mini competition's bids were returned however the value was more than what was expected. Falling above the £50k for services.</p> <p>Unfortunately, this means that with the project looking to commence the 19th May (sample operations 26th May) we have fallen outside of the time needed to submit the appropriate business case for approval.</p>

Appendix 3 - 3.10 Memo's (Exemption Urgency)

Function	Cluster	Description of Contract	Estimated Start date of Contract	Estimated End date of Contract	Total Estimated Contract Value £	Summary of explanation of why the contract was urgently required and justification for suspension of procurement regulations, in whole or in part:
City Regeneration and Environment	Operations	Press Notices - Contract to place press notices (advertise traffic regulation orders) in order to fulfil statutory process requirements to advertise roads orders in locally circulating newspapers.	01/04/2025	31/03/2026	£120,000.00	<p>ACC as roads authority has a statutory requirement to publish notices in local papers in relation to a number of roads orders under the Roads (Scotland) Act 1984, New Roads and Street works act 1991 and Road Traffic Regulations Act 1984. These require that notices are advertised in by the roads authority (ACC) "in one or more newspapers circulating in the area". The two papers which meet the criteria are both under the same ownership and are therefore the only compliant option for noticing. The contact value exceeds single supplier limit. Without the exemption, ACC will be unable to fulfil statutory obligations for roads orders.</p> <p>If the roads orders cannot be placed, ACC would not legally be able to place notices covering road works or closures which would be a breach of legislation as we place notices for the works of statutory undertakers who have a legal entitlement to excavate public roads.</p> <p>The internal governance for this contract was missed for the 2025/2026 financial year due to the previous overseeing manager retiring and this contract not being brought up during handover. Going forward we will liaise with CPS procurement on the best way to handle the contract in future, including writing a business case for future procurement if this is deemed the most appropriate method of procurement governance.</p>
Families & Communities	Corporate Landlord	Estates Surveyor - Single contract for Estates Surveyor to work 3 days a week to provide assistance with the management of leased assets within the commercial portfolio.	05/04/2025	05/12/2025	£58,080.00	<p>Due to a lack of availability of suitably qualified surveyors on the Human Resources framework and this agency worker was procured by direct award of contract to Peace Recruitment, in respect of which a non-competitive action form was approved. At the time of initial contract award, the contract was below £20,000. The contract has been extended already and if extended again the total spend will exceed £50,000</p>

Appendix 4 - 4.1.3 Forms (Technical Exemption)

Function	Cluster	Description of Contract	Estimated Start date of Contract	Estimated End date of Contract	Total Estimated Contract Value £	Reason for seeking approval under 4.1.3 Technical Exemption:
City Regeneration and Environment	Operations	RFID equipment and data - Contract for the continued provision of RFID equipment for new vehicles, tags for new communal, and business waste and recycling bins, equipment maintenance and RFID data transfer to our waste collection system.	01/06/2025	31/05/2028	£53,599.10	<p>21 ACC refuse collection vehicles are fitted with C-Trace RFID reading equipment and approximately 10,000 communal waste and recycling domestic bins and 3000 trade bins are fitted with C-Trace RFID tags. C-Trace equipment is fitted to the majority of communal bins within the city with a large quantity of tags in stock to replace or install to new bins, the relevant ACC refuse vehicles have specialised equipment installed and integrations through API with C-Trace and our waste collection system Bartec are already in place for data transfer.</p> <p>Our current waste collection system contract is being renewed with Bartec in June 2025 on a 1 year, plus 1 year, plus 1yr basis. If we were to go to market we would incur additional fees for vehicle equipment and tag purchase and installation and works would be required to complete integration to out waste collection system.</p>
Commissioning	Commercial & Procurement Services	<p>Sustainable Procurement Outcomes Reporting Software - Sustainability reporting software that will support the Council to measure, monitor and report on Community Benefits, Sustainability, Economic and Environmental outcomes both secured and delivered through all regulated procurement activity.</p> <p>The contract will allow for these outcomes to be monitored and measured and feed into statutory reporting in annual Climate Change returns and annual procurement reports.</p>	01/05/2025	30/04/2025	£193,500.00	<p>Various options have been assessed, there are systems which can meet elements of the full requirements but that would mean entering into contracts for more than one system to facilitate the full suite of data collection, monitoring and reporting required to support Climate Change returns and annual procurement reports.</p> <p>SustainIQ have developed a system which goes across all elements of Sustainable Procurement & Community benefits.</p>

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