

COUNCILLOR LUMSDEN

Lord Provost, it is my great pleasure to move the Administration's budget today which underlines this Administration's commitment to tackling climate change.

I don't want to waste time with rhetoric around the settlement from Scottish Government which yet again sees Aberdeen disadvantaged. All I would say is that Cosla, the local government umbrella body, describes the Scottish Budget as "misleading" and doesn't tell the true story of local government funding over recent years. They may call that misleading. I call it appalling.

Our Capital grant has been cut by almost 20%

But in this chamber we shouldn't be surprised by that cut as no doubt the SNP Government needs every single penny to pay for its long list of project failures. £200m for ferries that haven't sailed.

£40m for an airport has hardly any flights.

£1.35bn for a bridge that can't open when the temperatures drops.

A hospital in Glasgow that people get seriously ill at

A sick kids hospital in Edinburgh that is not open for sick kids.

And the AWPR has cost an extra £65m

However, let me focus on our general fund and common good budget. This Council is overseeing the most significant period of transformation in the city's history. We are radically enhancing the built environment. We have invested in the city's iconic Art Gallery and Union Terrace Gardens. We have created new landmarks through TECA and the regeneration of our city centre.

But the budget I am moving today does much more. It responds to the challenges of the Paris Agreement to increase our efforts to reduce greenhouse gas emissions. It describes how we might enhance the environment in the broadest sense.

When I stood before this chamber in December, there were calls from opposition to declare a climate emergency. An easy task.

The more difficult task is to actually tackle the climate challenges facing us and today I will set out how this budget continues the journey of how here in Aberdeen we will achieve this. The headline figure is £100 million of investment.

[pause]

Earlier this year we approved a Low Emission Zone for the city with ambitious targets for our partners. I listened to the delegation that we had before us and today take on board their comments.

The growing public demand for society to become environmentally responsible has not been lost on this Council. I make no apologies Lord Provost that today's budget challenges this Chamber to make its contribution to this global issue

I am therefore proud to announce that included within our budget today we have set aside £5 million to invest in alternative fuel powered council fleet vehicles. This is our commitment and contribution to delivering an ambitious Low Emission Zone within the heart of our city.

Wherever feasible we will replace our stock with vehicles that will dramatically reduce air pollution and will seek to work with manufacturers to see where we can extend the availability of ultra-low and zero emission vehicles. We are already set to take delivery of a hydrogen powered refuse vehicle this autumn, which will be the first in the UK, total investment of £600,000. We will also look to begin a programme of providing Electric Vehicle charging points as we embark upon this ambitious programme for the energy capital of Europe.

I am asking our officers to engage with the taxi industry here in Aberdeen to help them become more eco-friendly and encourage them to adopt alternative fuel powered vehicles and to bring a report back to us on how we can help that transition – again to improve the air quality in our city.

I am also calling on officers to report back on how through our purchasing power facilitate a greater weighting to contracts being awarded to companies that help achieve our net zero targets. When it comes to procurement, we want to establish a green supply chain.

Lord Provost, this commitment demonstrates a real shift to improve the air quality within our city centre.

However, this Administration's ambition does not stop there.

This Administration has already made a commitment to provide £70 million for an Energy from Waste plant in conjunction with Aberdeenshire and Moray Councils. Contained within the budget before you today is £15 million to invest in environmentally friendly heat networks to our residents in Torry. I am also asking our officers to engage with the Scottish Government to see what funding they may release as part of the Heat Networks Early Adopters Challenge Fund to provide a second phase for a Heat Network for Torry to help alleviate fuel poverty but in doing so providing a further tick in the climate change agenda before this Chamber today.

Within our city it is also vital that we invest within our walking and cycling infrastructure and have therefore included within today's budget £1 million to improve the health and wellbeing of our citizens an increase of over £600,000 from this year.

Aberdeen is one of Europe's pioneering hydrogen cities. We have shown how hydrogen can power our daily lives. We are developing a Net Zero Transition Plan and a Strategic Infrastructure Plan to attract investment to support the region's transition towards net zero.

In autumn this year, the City will see the world's first deployment of the next generation of 15 hydrogen buses equating to an £8 million investment. We will be leading other UK cities by starting to operate hydrogen buses early next year as part of our ambitions to improve air quality and reduce carbon emissions. We have a track record of deploying hydrogen fuelled buses already and these new additions will replace the first-generation buses that have been a success in Aberdeen. Others are now following our lead and as part

of that I request officers to offer our assistance by providing them with our first-generation buses.

In autumn 2019 Aberdeen City Council, in partnership with Scottish Enterprise and Opportunity North East, commissioned the business case for the commercial supply of renewable hydrogen. A production, storage and distribution hub would facilitate the uptake of larger fleets of zero emission vehicles and increase the use of renewable hydrogen across the transport sector and allow additional zero-emission applications in domestic and commercial heat.

[pause]

We continue to build on the strongest foundations.

The Event Complex Aberdeen – which won the Scottish Property Award of the year – opened just six months ago and is already establishing itself as a premier international venue. The largest and most sustainable entertainment complex in Europe, it is a symbol of the city’s renaissance – I was proud to attend Offshore Europe in 2019 at the new venue and experience the response of delegates. On a personal level, to attend the BBC Sports Personality of the Year Show, as a fan, was truly memorable and the type of event that Aberdeen can now attract. My thanks also to the Aberdeen Civic Society for the commendation from them for this development.

At the heart of this exciting development is an energy centre and an Anaerobic Digestion Plant – environmentally friendly and a statement of our ambition for the city to become carbon neutral. In the redeveloped Aberdeen Art Gallery we have another world-class facility, which attracted its 100,000th visitor less than three months after reopening. We are planning on 10 visiting exhibitions of national profile in 2020/21 including for example, the Zandra Rhodes exhibition.

But it is not just Art in galleries that Aberdeen is building a reputation for. I must congratulate my vice convener, Cllr Grant on the success of NUART. This festival has transformed how the City centre looks and we are committing further funding for future years as this project will expand outside the immediate city center and hopefully change how the whole city looks. I am sure Cllr Grant will welcome the expanded footprint which should hopefully make his “call for walls” easier.

The transformation of Union Terrace Gardens is under way and will rejuvenate our green heart with improved access, amenity and activity. There will be an increase in the number of trees – a fifth more – increasing biodiversity and yet another example of how we are tackling our environmental responsibilities as a Council.

To demonstrate our commitment to this I am instructing officers to launch a schools project around UTG – a tree within the gardens for every primary and secondary school – so youngsters learn directly about our relationship with nature and the importance of nurturing that for generations to come. If we are designing a garden for the next generation, it is vital that the next generation helps deliver it. This forms part of a commitment by this Administration to

design a Child Friendly City – putting children at the heart of our decision-making.

But this is about more than just the heart of our city centre, Lord Provost. To further enhance our environment, I am also asking officers to provide us with a Forest and Woodlands report to see how we achieve an increase of our 10% trees across the city.

In autumn Provost Skene's House is to re-open as a new visitor attraction, showcasing people from the City Region who transformed the world. They didn't distinguish between the local stage and the global one and today we are taking inspiration from their vision and reach. With its opening, the Aberdeen Art Gallery and Museums attractions we aim to generate 400,000 visits to the city centre annually.

Such achievements represent a beginning, not an end. They attract people – residents and visitors – to our city centre. We have seen significant uplift in footfall figures in the Schoolhill and Belmont Street precincts since the new Gallery opened. They help promote all that is great in Aberdeen. And in turn this supports and generates commerce and jobs. Vital for the economy of Aberdeen.

A consistent theme and conclusion of November's State of the Cities Conference to launch the annual report of the Aberdeen Economic Policy Panel was the net zero challenge, and the opportunities it presented to a city like Aberdeen. The message I took from that was to ensure that the city is on the right side of these opportunities, and we immediately instructed work to develop a Net Zero Plan for Aberdeen, and a 'Green Infrastructure Plan' that would highlight the key investments for the city.

Our Energy Transition journey is well underway, and it is worthwhile reflecting that this Council has been working towards a net zero future for some years – the joint venture with Vattenfall to develop the European Offshore Wind Deployment Centre – 80,000 homes powered equivalent and Hydrogen Aberdeen being two example – investments that have provided the city with credible net zero credentials that benefit from the foundation of hosting a global oil and gas sector.

Yesterday we agreed on the need for an Energy Transition Zone, I said yesterday that as a council we can put measures in place to ensure residents of Torry can benefit from the new zone . In the budget today we are instructing officers to work with relevant stakeholders and partners to develop and embed an Energy Transition Zone Training and Jobs Plan that ensures local people are able to access employment opportunities from any development that occurs. We are also asking officers to work with Skills Development Scotland, North East of Scotland College and Opportunity North East on development of energy transition apprenticeships that target local people in the immediate areas around Aberdeen Harbour South.

[pause]

We are transforming as a Council as well as a city.

Our spending plans before the Chamber today support the most ambitious and comprehensive redesign of the Council's structure and approach to service delivery ever undertaken as we embrace innovation in demand management.

The Target Operating Model – adopted in 2017 – promotes digital technology to better meet the needs of customers whilst delivering essential financial efficiencies. We are revolutionising how public sector services can be accessed, allowing people to interact with us in new and more direct ways.

We have implemented online booking and ticketing systems, customer self-service capability as well as online transactions capability. We are using data to identify early intervention opportunities. Technology is supporting a modern computing platform for web applications and a line of business systems that will grow in the months and years ahead.

During 2019/20 Aberdeen City Council became the first council in Scotland to collaborate with Microsoft on its Cloud Navigator plan.

I hope by now some of you have had a chance to meet our latest recruit, the chatbot AB-1, developed with Microsoft and complete with its understanding of doric. Artificial Intelligence is being used to meet the expectations of a 24/7 society whilst freeing up staff to work with people who need our support most, all the time saving public money.

Lord Provost, the journey doesn't stop there. Today I am announcing a further investment in our digital programme of £2.4 million to ensure our citizens can access our services where they want when they want. This investment represents the principle of putting our customers first.

[pause]

Turning now to the council tax for the next financial year. With the ever-reducing funding from the Scottish Government across Scotland I must ensure that I set a council tax level that delivers a balanced budget for 2020/21.

Council tax and Non-domestic rates – income that is raised here in Aberdeen – accounts for 81% of our total budget. That is more than any other local authority in Scotland. Our revenue grant, a mere 19% of our funding, is the smallest of any city in Scotland. Indeed, only Clackmannanshire, and the island authorities receive less of a revenue grant.

The imposition of Scottish Government conditions on our funding, including pupil teacher ratios and funding for the Integration Joint Board means we are unable to touch over £200 million of our budget. This limits local decision making and coupled with several years of grant cuts results in the deficit facing the chamber today. A clear correlation between our budget position before us today and the Scottish Governments lack of funding.

Lord Provost on Friday COSLA agreed that the Scottish Government had failed to recognize the crisis in funding for essential services which disrespects COSLA, the whole of Scottish Local government and the workers who deliver on those services.

It is clear that the Scottish Government mantra of blaming Westminster for SNP austerity cuts is now blatant – even to COSLA and my SNP colleagues across the Chamber.

To close the funding gap from the Scottish Government I am today announcing a 4% increase, or just over a £1 per week increase for Band D properties, in our Council tax along with other modest increases in some of our fees and charges. This is almost 20% lower than the Scottish government included in their “offer” to local government thereby a saving for every council tax payer compared to the Scottish Government proposal. However, I am utilising £1.2 million of this increase to fund the green initiatives I have laid out before this Chamber today.

I recognise as an elected member for this great city that we are all accountable to the electorate. That is why I am instructing officers to bring back to this Chamber a report on how we measure and track our carbon footprint and transition to a net zero carbon position by way of how Carbon Budgeting for Aberdeen City Council could be introduced to support the organisation’s climate transition plans

Lord Provost, this budget is about green space and sustainable living, about the air we breathe. I make no apology if that sounds grand. We must look to the future with a sense of enlightenment, not entitlement, to preserve our planet.

Before concluding my budget today I am sure I speak for everyone in the Chamber when I thank our Chief Financial Officer, Mr Belford and all the staff who have helped all of us today in presenting our budget for the extensive work he and the all the staff involved have provided us. Mr. Belford please accept our thanks and pass on our thanks to all the staff involved in today’s budgets.

Sound financial stewardship has been a hallmark of this Administration – acknowledged by regulators across the board – my thanks to our Chief Executive, Angela Scott in ensuring this is embedded within our governance arrangements. Finally, I must also thank my Administration colleagues, who have again put the interests of the city and indeed the planet first, turning our rainbow coalition green .

Lord Provost, let me conclude by saying today's budget does not close libraries.

It does not close community learning centres.

It does not close public toilets.

We won't be shedding community wardens.

We won't be reducing the support we give to the Fairer Aberdeen Fund.

We won't be increasing school meal charges.

We won't be cutting funding to APA, Visit Aberdeenshire, or Aberdeen Inspired.

We won't be cutting funding to Sport Aberdeen

We won't be scrapping music tuition.

We are committing £100 million to continue moving us to a net zero carbon local authority.

And for the avoidance of doubt we will be maintaining the commitment to no compulsory redundancies. We will continue to engage with staff, trade unions and stakeholders as we build the council of the future.

This, as I said, is a budget for the planet as it is for Aberdeen and its people.

I look forward to hearing how my opposition colleagues are tackling the climate challenges of the planet within their budgets today so I will be listening carefully as to how their budget delivers their green credentials – or will I just be witnessing more air pollution from them!!

Lord Provost, I commend this general fund and common good budget to the Chamber.