

ABERDEEN CITY COUNCIL

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| COMMITTEE | Council |
| DATE | 17 th December 2014 |
| LEAD OFFICER | Chief Executive |
| TITLE OF REPORT | Aberdeen Exhibition and Conference Centre |
| REPORT NUMBER | OCE/14/041 |
| CHECKLIST COMPLETED | Yes |

1. PURPOSE OF REPORT

The report provides an explanation for the deferral of the expected report on the proposed Aberdeen Exhibition and Conference Centre (AECC) development to the Council's meeting in March 2015.

2. RECOMMENDATION

That the Council notes this report.

3. FINANCIAL IMPLICATIONS

This particular report has no specific financial implications, but its subject matter relates to the financial implications of the proposed AECC development.

4. OTHER IMPLICATIONS

As with paragraph 3 above, this particular report has no other specific implications, but its subject matter relates to the implications of the proposed AECC development.

5. BACKGROUND/MAIN ISSUES

The Council at its meeting of 14th May 2014 agreed to receive a report on the proposed development of AECC. The Council agreed that officers should finalise the financial options to deliver the development at minimum cost to the Council and that such options be reported to Council at its meeting in October 2014.

The expected report was deferred to the Council's December 2014 meeting in order to allow officers more time to ensure that the financing

arrangements and associated commercial sensitivities surrounding the development are fully determined before they are presented to Council.

A draft report on the matter was brought for review to the meeting of the Corporate Management Team at the end of November. At that point, while the business case for the development of the new AECC and the redevelopment of the existing AECC site had been detailed the final report on the due diligence on it undertaken on the Council's behalf by a third-party had not at that point been received.

Given this, and given the fact that the Corporate Management Team will need to make a full assessment of the project's affordability for the Council based on all available information it was felt to be preferable to defer the report for a further cycle to ensure that a clear officer recommendation on the matter can be brought to elected members. On this basis, the Director of Communities, Housing and Infrastructure is liaising with all relevant parties within and outwith the Council in order to bring a final draft of the proposed report to the Corporate Management Team at its meeting on 29th January 2015.

Briefings will be held for elected members during February ahead of the matter being brought to Council at its meeting on 4th March 2015.

6. IMPACT

The proposed AECC development would have a significant impact on the delivery of the Council's *Smarter Aberdeen* programme.

7. MANAGEMENT OF RISK

In deferring the expected report for a cycle in order to ensure a fully-informed recommendation can be made to elected members, officers are seeking to ensure that risks are appropriately managed.

8. BACKGROUND PAPERS

None

9. REPORT AUTHOR DETAILS

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