

**DRAFT**

**FINANCE POLICY AND RESOURCES COMMITTEE**

**1 DECEMBER 2016**

**MEMORANDUM OF UNDERSTANDING FOR ADDITIONAL £254M INVESTMENT  
– CHI/16/275**

1. The Committee had before it a report by the Director of Communities, Housing and Infrastructure which presented the Memorandum of Understanding for the £254m additional investment from the Scottish Government, which was announced in addition to the joint UK Government and Scottish Government funding of the Aberdeen City Region Deal.

**The report recommended:-**

that the Committee –

- (a) approve the Memorandum of Understanding (MOU) for the Aberdeen City Region Deal Additional Investment (Appendix 1), subject to:-
  - (i) approval of the MOU by Aberdeenshire Council; and
  - (ii) approval of the MOU by the Scottish Government;
- (b) delegate authority to the Chief Executive following consultation with the Head of Legal & Democratic Services and the Head of Finance to agree non-material amendments as required due to any changes requested by other parties to the agreement or any amendments which would improve or further safeguard the Council's position, all prior to its signature by a proper officer.

The Convener moved, seconded by Councillor Malik:-

that the Committee:-

- (1) note the content of the report;
- (2) note that Keith Brown MSP, Cabinet Secretary for the Economy, Jobs and Fair Work indicated at the announcement of the City Deal in January 2016 that the additional funding was to improve journey times and increase capacity on key rail links between Aberdeen and the Central Belt, upgrading the rail line in the Montrose Basin;
- (3) instruct the Chief Executive to write to the First Minister seeking clarification around the proposed £200m rail link fund seeking confirmation if it is still the Scottish Government's intention to upgrade the rail line in the Montrose Basin and if not ask the First Minister to confirm if any of the £200m will be spent within Aberdeen and/or Aberdeenshire; and
- (4) agree that a further report be brought to the next Finance, Policy and Resources Committee along with any amended Memorandum of Understanding following receipt of clarification from the First Minister.

Councillor Yuill, seconded by Councillor Dickson moved as an amendment:-

that the Committee :-

- (1) approve the recommendations contained within the report;

- (2) note that Keith Brown MSP, Cabinet Secretary for the Economy, Jobs and Fair Work indicated at the announcement of the City Deal in January 2016 that the additional funding was to improve journey times and increase capacity on key rail links between Aberdeen and the Central Belt, upgrading the rail line in the Montrose Basin;
- (3) instruct the Chief Executive to write to the First Minister seeking clarification around the proposed £200m rail link fund seeking confirmation if it is still the Scottish Government's intention to upgrade the rail line in the Montrose Basin and if not ask the First Minister to confirm if any of the £200m will be spent within Aberdeen and/or Aberdeenshire; and
- (4) agree that a further report be brought to the next Finance, Policy and Resources Committee on the response received from the Scottish Government.

On a division, there voted:- for the motion (9) – The Convener and Councillors Allan, Crockett, Grant, Ironside, Laing, Malik, Milne and Taylor; for the amendment (7) Cameron, Dickson, Jackie Dunbar, Flynn, Nicoll, Townson and Yuill.

**The Committee resolved:**

to adopt the motion.

**In terms of Standing Order 36(3), Councillor Flynn intimated he would like this matter to be referred to full Council in order for a final decision to be taken. Councillor Flynn was supported by Councillors Cameron, Dickson, Jackie Dunbar, Nicoll, Townson and Yuill.**