

Strategic Outline Case

Project Name	ACC Queen Street Redevelopment		
Sponsoring Cluster	Aberdeen City Council		
Senior Responsible Officer	Steve Whyte		
Gateway Review by Sponsoring Cluster The Sponsoring Cluster must confirm their support for the project and, crucially, have the resources necessary to deliver the project to conclusion.	Strategic Outline Case agreed	Yes <input type="checkbox"/>	No <input type="checkbox"/>
	Project scope modified – further options?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
	Pilot exercise to test assumptions	Yes <input type="checkbox"/>	No <input type="checkbox"/>
	Postpone or abandon	Yes <input type="checkbox"/>	No <input type="checkbox"/>

[ACC Project Management Toolkit online](#)

Contents

(F9 Function key will update contents after completion of document)

1.	Project Overview	2
2.	Business Aims, Needs, Objectives & Constraints.....	4
3.	Stakeholder Issues	11
4.	Management & Implementation.....	12
5.	Consideration of Options	12
6.	Costs, Benefits & Risks.....	34
7.	Funding & Affordability.....	38
8.	Assumptions.....	39
9.	Support Services Consulted SANDY TO UPDATE THIS SECTION	Error! Bookmark not defined.
10.	Decision by Capital Board	Error! Bookmark not defined.
11.	Document Revision History	40

A Strategic Outline Case (SOC) is a very brief preliminary document designed to introduce the basic project concept and identify key issues at the earliest stages of project development. It helps to assess whether it is worth committing resources to developing a more detailed Outline Business Case.

This proforma is designed to help officers complete a SOC using *appropriate and proportionate effort*. There is flexibility over the amount of information to be included under each heading below but note that the SOC is intended to be a very short document and should rarely exceed 10 or 12 pages.

1. Project Overview

Briefly describe the basic project concept.

The proposed project involves a targeted investment on Queen Street in Aberdeen. The city centre is currently undergoing major transformation and this project seeks to support this. The City Centre and Beach Masterplan (CCBMP) 2022 provides a framework of development and direction that demonstrates a seismic change in the way the city operates, and Queen Street is a key component of this.

The surrounding area is home to key civic, commercial, and cultural assets in the city and benefits from a wonderful quality of architecture such as Marischal College and the Town House.

Redevelopment of Queen Street provides the opportunity to address several unsightly and inefficient buildings, whilst enabling significant improvements to public realm, opportunities to increase green space and encourage well-being in the city centre, increase inclusivity and complement the established improvements to Broad Street and Marischal Square.

Queen Street has already seen a £6M commitment by ACC (which has enabled land assembly, demolition, the Police Scotland Integration into Marischal College, Outline Business Case, Full Business Case and detailed design for a new Joint Integrated Mortuary) in an effort to manage public resources more effectively, whilst at the same time pump priming/de-risking the site for future development. An additional £22.5M has been secured from the Scottish Government to enable the relocation of the outdated city mortuary to ARI Foresterhill by late 2024/early 2025 together with capital commitment from Aberdeenshire and Moray Councils.

The Council is now the majority landowner in the area and has acquired the following properties/areas of land:

- 29 – 31 Queen Street (including removal of contaminated stock and demolition)
- Former Police Scotland HQ (currently subject to internal surveys, service tracing)
- Surface Car Park (adjacent to Marischal College rear car park)
- Former University of Aberdeen Car Park
- 12 Shoe Lane.

Executive Summary:

Purpose

Queen Street is a key component of the City Centre and Beach Masterplan 2022. The Council has acquired property at Queen Street and Marischal College from the University of Aberdeen and Police Scotland, to facilitate the co-location of a range of public services and complement the new commercial quarter at Marischal Square creating a unique opportunity for the area to become a new transformational asset for the city.

This Strategic Outline Case demonstrates the scale of development including options for an Urban Park component and presents a recommendation to explore 3-5 options through an Outline Business Case (OBC).

Strategic Fit

The project will contribute to the Prosperous Economy and Prosperous Place objectives of the LOIP, and to the Changing Perceptions, Growing the City Centre Employment Base, A Metropolitan Outlook, A Living City for Everyone, Technologically Advanced and Environmentally Responsible, and Culturally Distinctive objectives of the City Centre and Beach Masterplan.

Conclusion/recommendation

It is recommended that the following Options are assessed in further detail in the preparation of an Outline Business Case early in 2023:

- **Do Nothing/Minimum**
- **Urban Park across cleared site**
- **Building retention and re-use, mixed use development and urban park**
- **Mix of urban park and residential units on cleared site**
- **Mixed use development and larger urban park.**

Project Delivery

The project is expected to be procured through the Hub model as this will accelerate the procurement process and help to secure best value by providing access to Hub North Scotland Limited's (HNSL) supply chain network and project management resources.

Risks

The key risks are:

- Construction cost inflation exceeds current allowances and makes the project unviable
- Delivery of new mortuary facility (currently located in the basement of the former Police HQ building) delayed causing consequential delay to developing proposals and refurbishment or demolition of the Police HQ building and sequencing of development

- Unable to secure statutory approvals such as conservation area consent
- Services separation between the former Police HQ and the Scottish Courts and Tribunals Service (SCTS) building proves more complex than anticipated and delays the project
- Neighbouring properties and businesses object to development proposals
- Finance and delivery costs.

Assumptions

The key assumptions for developing Queen Street are:

- ACC wishes to adopt as little commercial risk as possible
- ACC intends to retain control of the land for future City Centre needs
- ACC has already made significant investment in land acquisition and demolitions (29-31 Queen Street) which can be viewed as pump priming/ de-risking
- Queen Street is an adopted road and likely to continue as such. It is unlikely that any lanes / side streets or urban green spaces associated with the development be adopted
- ACC will prepare a Roads and Car Parking Strategy.

Governance and Sponsor

ACC is the sponsoring organisation.

Governance will be through the Council's capital programme.

2. Business Aims, Needs, Objectives & Constraints

Provide an overview of the sponsoring organisation and explain how the project is strategically placed to contribute to the delivery of organisational goals within the Local Outcome Improvement Plan (LOIP) and the Local Development Plan (LDP).

Sponsoring Organisation

Aberdeen City Council as the local authority responsible for leading the redevelopment of Queen Street and the City Centre and Beach Masterplan.

Strategic alignment

The Queen Street project supports the delivery of the Aberdeen City Centre and Beach Masterplan 2022 and numerous other policies and strategies such as:

- Aberdeen Local Development Plan 2022 (ALDP) – Queen Street (OP81) is designated as a mixed-use area (H2) housing therefore the Urban Park would be contrary to this designation.
- Strategic Development Plan (SDP)
- Regional Transport Strategy (car free development)
- LOIP (increase employment)
- Economic Policy Statement
- Local Development Plan 2020

- City Living Report 2017 (and its 2022 update).

The recently published Scottish Government National Planning Framework 4 includes guidance on development proposals for the reuse of existing buildings, taking into account their suitability for conversion to other uses and the need to conserve embodied energy.

Business Goals and Aims

ACC's goals and aims for Queen Street are to:

- Retain control of the land for the benefit of the Council and as a long-term legacy for Aberdeen City Centre
- Complement and support other existing and proposed strategic projects being taken forward by the Council
- Build on the "Aberdeen" Brand, highlighting renewed purpose of the City Centre, delivering Council themes being both inclusive and progressive
- Align with the SMART Objectives for the overall City Vision Programme.

Constraints and Dependencies

The former Police Scotland HQ, now in Council ownership, is a key component of the Queen Street intervention zone. Combined with the Scottish Courts and Tribunals Service (SCTS) Queen Street Annex, the former HQ site is a key part to the delivery of the City Centre and Beach Masterplan. Asbestos surveys have been carried out and a programme for its removal developed.

Proposals are dependent on the relocation of the City Mortuary proceeding as planned, which started on site at Aberdeen Royal Infirmary in October 2022. The City Mortuary, located in the former Police HQ at Poultry Market Lane, will require to be kept operational until practical completion of new premises at ARI in Foresterhill (expected by summer 2024).

Services and utilities are currently integrated between the former Police HQ, City Mortuary and SCTS. A strategy is under development to separate services enabling independent re-use or demolition of the former Police HQ, leaving the SCTS building to continue current operation.

Development must also work around existing Scottish Courts and Tribunal Services Court buildings and reduce impact upon the Court Service's ability to carry out its duties. Access must also be maintained for the other buildings on Queen Street and a through-route must be maintained for emergency vehicles. The Council remains in dialogue with regarding future operations and activities in the Queen Street Annexe.

The Annexe is currently excluded from this SOC until such time as SCTS confirm future availability.

Explain how the project supports the existing policies and strategies of the organisation and will assist in achieving the business goals, strategic aims, and business plans of the organisation.

The project is not formally identified within the Local Outcome Improvement Plan (LOIP) but is a key component of the City Centre and Beach Masterplan 2022.

The project aligns with the Council's Strategic Objectives as outlined below.

Prosperous People (Children & Young People)

This Business Case promotes the LOIP **Stretch Outcome 7** - Child Friendly City which supports all children to prosper and engage actively with their communities by 2026. The outcome of delivering the programme outlined within this report would result in improved public amenity space in the city centre for all visitors to enjoy, providing children with safe and attractive spaces for interaction and play.

Stretch Outcome 9 – 30% fewer young people (under 18) charged with an offence by 2026. This Business Case promotes the redevelopment of Queen Street, with an active focus on public sector redesign to enable the civic heart of the city to work more efficiently. Public sector redesign and co-location will enable more joined up working across our city, leading to early intervention and improved support for the young people of Aberdeen.

The proposals within this Business Case support **Stretch Outcome 5** – 90% of children and young people will report that their experiences of mental health and wellbeing have been listened to by 2026. This is reflected in interactions, activities, support, and services. Queen Street will deliver quality public realm to increase well-being of both residents and visitors in the city, with an opportunity to provide the local community with places for play and outdoor learning.

Prosperous People (Adults)

Stretch Outcome 10 – 25% fewer people receiving a first ever Court conviction and 2% fewer people reconvicted within one year by 2026. This Business Case supports the aforementioned outcome as per the reasons stated for Stretch Outcome 9.

Stretch Outcome 11 – Healthy life expectancy (time lived in good health) is five years longer by 2026. The redevelopment of Queen Street will deliver high quality urban realm from which visitors and tourists will benefit from the greenspace, providing an oasis in the heart of the city for rest and repose.

Prosperous Place

The proposals within this Strategic Outline Case promote **Stretch Outcome 15** - 38% of people walking and 5% of people cycling as main mode of travel by 2026. The outcome of delivering the programme would result in additional green space within the city centre, improved streetscape, connectivity and encourage active travel in the city centre.

The project will improve accessibility and support the Council's commitment to **accessibility and inclusive design** by providing spaces that all visitors and residents can use safely, with dignity, comfort, convenience, and confidence.

Access for all

All future designs will allow all users to make effective, independent choices about how they use the building/space without experiencing undue effort or separation. The design will recognise and address the barriers experienced by people with learning difficulties,

people who are deaf, deafened and hard-of-hearing and people who are blind or partially sighted or are neurodivergent. The Council will develop operational policy mechanisms and active management plans to ensure that these accessibility improvements do not diminish over time.

The project will be based around inclusive design principles to ensure it reflects the different faiths, disabilities, genders & hidden conditions, and addresses important issues that affect a neurodiverse population. Inclusive Design is a critical component of delivering inclusive, user-centred environments that cater for the needs of all. This will be embedded into all aspects of the design including, for example, lighting and security.

A placemaking framework will be adopted, which is rooted in these disciplines but provides assessment and outputs that are aligned to key outcomes, including wellbeing, inclusivity, and safety. The Council will use this framework to assess both existing environments and proposed schemes to ensure that interventions are appropriately targeted and provide solutions that mean the right outcomes for all users.

Establish a compelling case for change based on business needs, e.g., demand for services, deficiencies in existing provision etc. Where are we now and where do we need to get to?

Overview and background

Queen Street's position adjacent to the civic hub of Marischal College, the Town House and Marischal Square offers the opportunity to provide a development that includes urban green space for the people of Aberdeen and complements the transformation of Union Terrace Gardens by continuing the "Greening" of the city centre. Redesigning Queen Street enables significant improvements to be realised in the area's public realm and green infrastructure, enabling opportunities to increase well-being in the city centre, increase inclusivity and complement the established improvements to Broad Street and Marischal Square.

Scale comparison

The diagrams below highlight the scale of Queen Street in relation to other key public spaces in Aberdeen. Any new development will need to be commensurate and appropriate with the scale of space available, recognising the need to create an integrated neighbourhood in the city centre.



Diagram 1: Extent of Queen Street Option 2



Diagram 2: Extent of Queen Street Options 3, 4

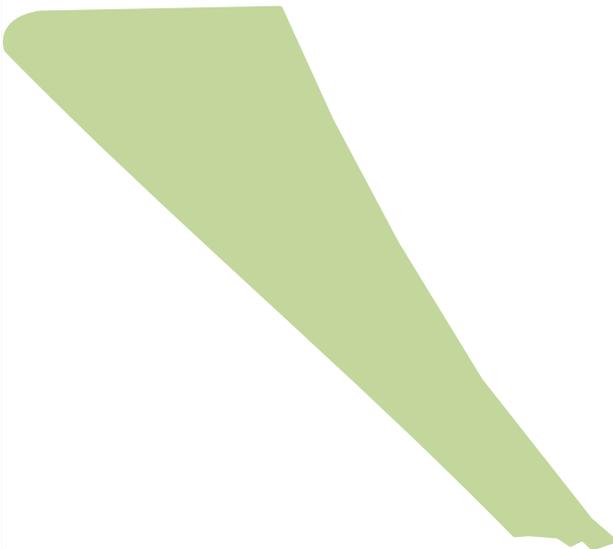


Diagram 3: Union Terrace Gardens

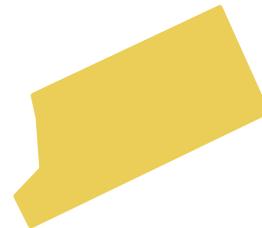


Diagram 4: Castlegate

Where are we now?

ACC has undertaken an extensive programme of land assembly resulting in the majority of the land in Queen Street now being in Council ownership, with the exception of:

- Trinity Church
- Greyfriars Church
- SCTS Civil Annex

- Marischal East

Where do we want to get to?

As well as developing out a major key component of the City Centre and Beach Masterplan 2022 to create a new vibrant mixed-use neighbourhood in the city, connected to both its immediate and local surroundings, the site's proximity to several major arts venues creates a unique opportunity to also develop Queen Street into a landmark city centre destination. This could include complementary outdoor space, arts, music, heritage, and culture offerings, building on its proximity to the adjacent Aberdeen Arts Centre and Lemon Tree venues. Both are owned by ACC and leased out to these organisations. Both will both benefit from a high-quality development including green space, allowing events to spill out into the open green areas as appropriate.

It is essential that consideration is given to a form of development which will generate 24/7 use of the area where possible, connecting Queen St Church, Archibald Simpson House, Marischal East and SCTS Queen Street Annexe.

All the above opportunities will be addressed in more detail at Outline Business Case (OBC) stage.

Identify any constraints, e.g., timing issues, legal requirements, professional standards, planning constraints. Any linkages and interdependencies with other programmes and projects should be explained, especially where the proposed project is intended to contribute to shared outcomes across multiple Clusters.

The following key considerations are intrinsic to delivering the project:

Mortuary

The City Mortuary is located in the basement of the former Police HQ building and needs to remain operational throughout the partial demolition and/or refurbishment/redevelopment of the building. When a new facility is completed at ARI Foresterhill (scheduled for summer 2024) comprehensive redevelopment can take place, though any delays to this relocation could impact on the pace at which the site can be redeveloped.

Demolition of the former Police HQ building

A number of the options considered for Queen Street, may necessitate the existing Police HQ building to be either partially or completely demolished. A separate design team under the management of HNSL is progressing the design of this project along with the required services separation to allow the SCTS to continue business as usual indefinitely. No final decision has yet been made on demolition although the programme of necessary asbestos removal and soft strip will commence early in 2023 to limit ACC's exposure to holding costs.

Planning Constraints

Any Queen Street redevelopment proposals will be assessed against the relevant development plan and associated planning context at the time of any planning applications. While the Aberdeen Local Development Plan 2017 is the currently adopted plan, the **Proposed Aberdeen Local Development Plan 2022** has now been through the LDP Examination process and the Government Reporters do not propose any notable changes to the policy position relative to the Queen's Square Masterplan site.

The Proposed Aberdeen Local Development Plan 2022 notes the site as being located within a Mixed Use Area (under Policy H2), and specifically identifies the site as Opportunity "OP81 Queens Square – City Centre Masterplan Intervention Area". This identifies appropriate uses as including Class 1 (Retail), Class 2 (Service), Class 3 (Food and Drink), Class 4 (Offices), Class 7 (Hotels), Class 9 (Houses), Class 10 (Non-residential Institutions) and Class 11 (Assembly and Leisure). As such, the shortlisted options being considered are compliant with current policy position for the site.

In addition to the local policy position, national planning policy and guidance will also need to be further considered in future stages of the Queen Street project. Notably, the recently-published **Revised Draft National Planning Policy Framework 4** (Nov 22) includes key Spatial Principles which are relevant to the Queen Street site, notably: Just transition; Conserving and recycling buildings; Local living; and, Compact urban growth. In addition, one of the identified key Priorities for the North East is to focus on continued regeneration through the principle of local living and 20-minute neighbourhoods, to which the Queen Street proposals can contribute.

In summary, following the selection of any preferred option(s), future planning considerations for the project will include:

- Retention/demolition considerations and justification in relation to both built heritage and net zero carbon considerations;
- Consenting processes and justification required for any proposed demolition (or part demolition) of unlisted buildings within the Conservation Area;
- Design impacts within the context of the Conservation Area and adjacent Listed Buildings;
- Detailed design in relation to scale, form, massing and materiality;
- Technical considerations including drainage, site conditions and access.

Impact of the project on business as usual

There will be an impact for ACC on business as usual. Internal resource will be required to manage the project and there will be an impact on access to existing surrounding businesses (e.g., ACC car park, SCTS access to be maintained around the site, Lemon Tree, and Aberdeen Arts Centre servicing etc). Furthermore, consideration must be made to ensure there is no degradation to emergency service operational response times, noting that blue-light access/egress must be maintained at all times.

There will also be noise impact on businesses, residents, the SCTS and ACC that will require to be managed carefully.

Internal resource will be required to manage the project with support from HNSL.

3. Stakeholder Issues

Identify the key stakeholders and explain their involvement. Indicate their level of commitment to the project as specifically as possible. Describe any consultations held or still required. Are there any outstanding stakeholder issues?

As part of the wider City Centre and Beach Masterplan engagement, the Council is undertaking an engagement exercise involving local residents and businesses. As business cases are developed this will include the newly established Stakeholder Forum and Disability Equity Partnership at the appropriate stages.

Ongoing engagement regarding Queen Street has been undertaken both formally and informally with Scottish Courts and Tribunal Services, Aberdeen Performing Arts, Police Scotland, Castlegate Arts, University of Aberdeen and Greyfriars and Trinity Churches.

4. Management & Implementation

Give a preliminary indication of the proposed project management structure and key personnel. Is any consultancy support likely to be required? Identify accommodation, staff, and Trade Union issues. Describe any legal, contractual or procurement issues. Are there any important outstanding management/Implementation considerations?

The project will be delivered by hub North Scotland Ltd (HNSL) who are a strategic development partner for the planning, procurement, and delivery of community-based infrastructure projects across the North of Scotland. HNSL comprises 16 public sector organisations, the Scottish Futures Trust and private sector partners in a joint venture with the purpose of working collaboratively to deliver inspiring projects for communities and best value for participants. Aberdeen City Council are one of these public sector organisations and have been part of the hub initiative since 2011.

HNSL's dedicated supply chain members are working collaboratively with Aberdeen City Council to develop, design and deliver all projects within the City Centre and Beach Masterplan. All procurement will be carried out in strict compliance with its Project Delivery Method Statement with an open book approach to project costs which are continually benchmarked and reviewed to maximise efficiency, accountability and demonstrate continuously improving value for money. Hub's supply chain is structured to include both local and national partners maximising economies of scale whilst providing opportunities to local companies. Hub's project development plans have specific focus on community and stakeholder engagement to maximise outcomes for end users.

Environmental Management

The project aims to contribute towards the Council's carbon reduction objectives.

While the project is unlikely to be deliverable and affordable in a completely carbon neutral way, and while some energy from the grid may be needed to heat and power the residential units (if constructed), it should be possible to provide all of the heating required for the commercial buildings by connecting them to a local district heating network.

The project seeks to implement architectural solutions that preserve the high embodied carbon materials in the Police HQ building (e.g., the current designs of one option include retaining the reinforced concrete shell of the building).

The project will be developed based on 20-minute neighbourhood principles to minimise the need for vehicular transport.

5. Consideration of Options

Provide an initial list of options identified that could meet the objectives and briefly describe their main features (consider variations in scale, quality, technique, location, timing etc).

NB: A preferred option should not be identified before options have been developed and appraised more fully at the Outline Business Case stage.

Detail any planned or agreed dates, milestones, completion dates, required delivery deadlines or other time constraints on the project or the affected business areas.

Outlined below is a long list of options for Queen Street and the process undertaken to assess these options.

1. **Do Minimum:** strip out asbestos and separate services at Police HQ building but do not demolish.
2. **Sell ACC interest in the land holding:** dispose of all assets and seek a market led solution.
3. **Soft strip and refurbish existing buildings:** including Police Headquarters, the nursery building and the vacant building on Shoe Lane.
4. **Urban Park:** demolish the Police HQ, nursery, and Shoe Lane buildings. Convert the full site into an urban park.
5. **Urban Park + Residential:** Clear full site and develop a mix of urban park and residential units.
6. **Urban Park + Office:** Clear full site and develop mix of urban park and office units.
7. **Urban Park + Retail:** Clear full site and develop mix of urban park and community focused multi-purpose local neighbourhood retail units.
8. **Urban Park + Civic:** Clear full site, develop mix of urban park and civic buildings
9. **Urban Park + Mixed Use:** Clear full site and construct a mixed-use development and urban park.
10. **Soft strip, partial demolition, and refurbishment + Urban Park + Mixed Use:** as above, but with parts of the Police HQ Building retained and refurbished into a mixed retail, hospitality, residential and office development.
11. **Fully built solution:** mixed development with no urban park.

Scoring Criteria

The project team identified the following scoring criteria for assessing each long-listed option:

- **Strategic alignment:** local alignment with the Partnership Agreement/Council Policy, the City Centre and Beach Masterplan and the Local Outcome Improvement Plan and national alignment with the National Strategy for Economic Transformation and the Scottish Cities Alliance Transition to Net Zero Carbon Action Plan.
- **Impact on growth:** the extent to which each option will stimulate the city's economic growth, create jobs, and facilitate future business investment.

- The options to clear the full site or partially demolish the site and provide a mixed-use development and urban park both scored 5/5. Both would deliver the same strategy and contribute to a “20-minute neighbourhood” in Aberdeen.
- A fully built solution with no urban park scored 2/5. Although it will not address the urban park objective, it will deliver more city centre living.

Impact on growth:

- Do Minimum scored 0/5. It does not provide any new occupied space so will not contribute to economic growth.
- Selling ACC interest in the site scored 1/5. The Council may struggle to find a buyer and would lose control of an important city centre site.
- The soft strip and refurbish option scored 1/5. It does not optimise a key major city centre site or promote the surrounding area. However, it does offer a degree of development.
- Converting the full site to an urban park scored 2/5. The option will be beneficial to the surrounding buildings. However, there will be no development within the redline area. The recent development of Union Terrace Gardens also facilitates market demand for urban green space.
- The urban park and residential option scored 4/5. It has the potential to support economic growth through increased footfall for local retailers and improved local labour supply.
- Development of a park and office units scored 3/5. It has the potential to facilitate growth, but the scoring team had concerns about uptake of the space.
- The park and retail option scored 2/5. There is currently an oversupply of large retail space in the city centre to attract national occupiers, there are many retail units on Union Street currently vacant. Any retail development in this location would need to focus on community and be multi-purpose.
- The park and civic option scored 1/5. There are already several civic buildings in the city centre which deliver limited economic benefits.
- The two mixed-use development options (Options 9 and 10) both scored 4/5. These would enable ground level multi-purpose commercial space designed to suit community needs, with city living above. This could create a sense of community and encourage increased visitor footfall in the area.
- A fully built solution with no urban park scored 3/5. The new built and occupied space could support jobs and economic growth but may be hard to occupy initially and developers would need to have some element of outdoor space to make it attractive.

Impact on placemaking & resilience:

- The Do Minimum option scored 0/5. The only change delivered will be inside the Police HQ, and there would be no improvement to the external aesthetics of the building.

- Selling ACC's interest scored 1/5. The outcome would depend on how the developer takes forward the site, and ACC would have no control over this. This could reduce the potential for placemaking.
- Soft strip & refurbish scored 3/5. There will be aesthetic improvements to the area but limited new development.
- Converting the full site to a park and the mixed park & residential development both scored 4/5. The urban park will be attractive to visitors even though other parks exist nearby. The mix with residential development will give more of a sense of place and a community feel to the area.
- The development of a mix of park and office/civic units both scored 3/5. Development of business space could see Queen Street and Marischal Square combine into an expanded financial district. Development of civic buildings, if built with granite like much of the surrounding buildings, will add to the sense of place.
- The mixed park/retail option scored 2/5. The saturated retail market in Aberdeen would limit further development reducing opportunities for improved placemaking.
- The two mixed-use development options (9 & 10) both received scores of 5/5. They are contemporary exemplars of urban design, combining desirable aspects of green space and city centre living.
- Full built solution (no urban park) score 3/5. It is not as distinctive or as desirable as options 9 and 10 but still delivers aspects of city centre living.

Affordability:

- The do minimum option scored 0/5. It will not bring in any additional revenue or enable the Council to recoup any of the money already invested in the site.
- Selling ACC interest in the site scored 1/5. While this will bring in some revenue to the Council, it is unlikely to be sufficient to cover the money invested to date.
- The soft strip and refurbish option scored 2/5. It is one of the lower cost options to deliver but would also deliver only a limited amount of income.
- Converting the full site to an urban park scored 0/5. It will create additional future park maintenance costs for the Council in addition to the money already invested and the capital cost to construct. It also offers limited, if any, revenue generation opportunities.
- The urban park/residential, urban park/office, and urban park/retail option scored 3/5, 2/5 and 2/5 respectively. They would each incur similar development costs. However, depending on scale and layout, the residential option is likely to bring in the most revenue.
- The urban park/civic option scored 1/5. The development costs of this option may be greater than the three above, however the revenue generating potential is likely to be lower.
- The two mixed-use development options (Options 9 and 10) scored 4/5 and 5/5 respectively. Both are likely to lead to desirable and potentially profitable developments, however the cost of the partial demolition option may be lower.

- A fully built solution with no urban park scored 3/5. Developer interest and onward occupier interest will be less due to a lack of outdoor space.

Deliverability:

- The Do Minimum option scored 5/5. There are no issues anticipated in stripping out the building.
- Selling ACC interest in the site scored 2/5. There is no identified buyer and sourcing one could be difficult.
- The soft strip & refurbish, whole-site urban park, and urban park/residential options all scored 4/5. Keppie has already prepared high-level designs for these three options. Consideration to be made as to how the site will sit as part of the wider site with the neighbouring court.
- The mixed park/office, park/retail and park/civic options all scored 2/5. There is limited market demand for these types of development in Aberdeen. Without financial interventions from ACC, these options are therefore likely to be unpopular amongst developers.
- The fully built solution, no urban park option scored 2/5. In the absence of any element of outdoor space, there would not be developer interest in the site. It would be difficult to deliver technically.
- The clear full site, mixed development & urban park option scored 4/5. It could attract more developer interest than a single use development and it offers a range of possibilities for development in the area.
- The partial demolition, mixed development & urban park option scored 3/5. The scoring team had concerns around the technically challenging nature of demolishing parts of the police building. These included concerns about how to ensure that the business of the neighbouring court building could continue as normally. They also included concerns about the shared plant/services between the to-be-demolished and to-be-retained parts of the building.

Financial sustainability/exit strategy:

- The Do Minimum option scored 0/5. It provides no exit strategy.
- Selling ACC interest option scored 1/5. The scoring team thought it could be difficult to find a buyer to take on the risk. The team also had concerns about the large sunk costs already incurred by ACC, and the risk that the sale of the site would not recoup these costs.
- Soft strip and refurbishment of existing buildings scored 2/5. This reflects uncertainties around the lifespan of and level of demand for the refurbished buildings.
- Converting the site entirely into an urban park received a score of 0/5. There would be an ongoing cost to the Council of maintaining a park in perpetuity. There will also be limited revenue coming in from other developments.
- The urban park/residential option scored 4/5. A smaller park would cost less to maintain, and the option would generate income from residential development.

- The mixed park/office, park/retail and park/civic options scored 3/5, 2/5 and 1/5 respectively. This reflects their lower likelihoods of attracting developer interest and of therefore providing an exit strategy.
- Clearance of the full site and a mixed-use development scored 4/5. This mix-use approach would be the most attractive option to developers and provide the greater financial sustainability.
- The partial demolition option scored 3/5. While the mixed-use nature of this option would be attractive to developers, a partial demolition would be more complex and therefore less attractive than a complete rebuild.
- The full build, no urban park option scored 2/5. Any option without green space is likely to be less attractive to potential users, and therefore less likely to obtain developer support.

Environmental sustainability:

- The Do Minimum option scored 1/5. It is unlikely to either harm or improve the surrounding environment.
- The sale of ACC's interest in the site scored 2/5. The option's impact on the environment would depend on how the developer chooses to take it forward and the Council would have no control over this. However, it is unlikely to perform worse environmentally than the status quo.
- The soft strip and refurbish option scored 3/5. This refurbishment would lead to less embedded carbon than a complete rebuild.
- The full-site urban park residential and urban park mixed-use options each scored 4/5. They all encourage environmental development and a movement away from cars in the city centre.
- The development of a mix of park and office/retail/civic units each scored 3/5. In each case the workers occupying the spaces would live on the fringes of the city centre. This would lead to increased vehicular movements.
- Partial demolition of the site and completion of a mixed-used development and urban park scored 5/5. The scoring team considered this to be a very sustainable solution that would avoid the carbon implications of a full demolition.
- The fully built, no urban park option scored 3/5. This option will not provide any additional green space or encourage walking and cycling.

Shortlist of Options

Based on the agreed evaluation criteria, the project team recommend taking forward the two highest scoring options to the shortlist as they scored well and were significantly different. Option 4, the full Urban Park, has also been included as this is part of the Partnership Agreement/Council Policy Statement. To follow best practice, the scoring team also recommend including the Do Minimum option in the shortlist of options.

A further option was subsequently identified to provide an enlarged Urban Park by omitting the North Block residential building from the development and retain only the South Block. This has been included as Option 5.

The shortlisted options (now renumbered and ranked one to six) are therefore:

- Option 1 - Do Minimum
- Option 2 - Full Urban Park
- Option 3 – Soft strip, partial demolition and refurbishment, mixed use development and urban park
- Option 4 - Clear full site, develop mix of urban park and residential units/ground floor mixed use development
- Option 5 – as Option 4 but with no residential North Block.

Site context

All the options assume that the development will occupy the same land footprint. This includes the existing routes of Queen Street, Shoe Lane and Poultry Market Lane, the car park, and vacant sites to the north-west of Queen Street, and the former Scottish Police Headquarters buildings. The red line boundary area is c. 12,400m².

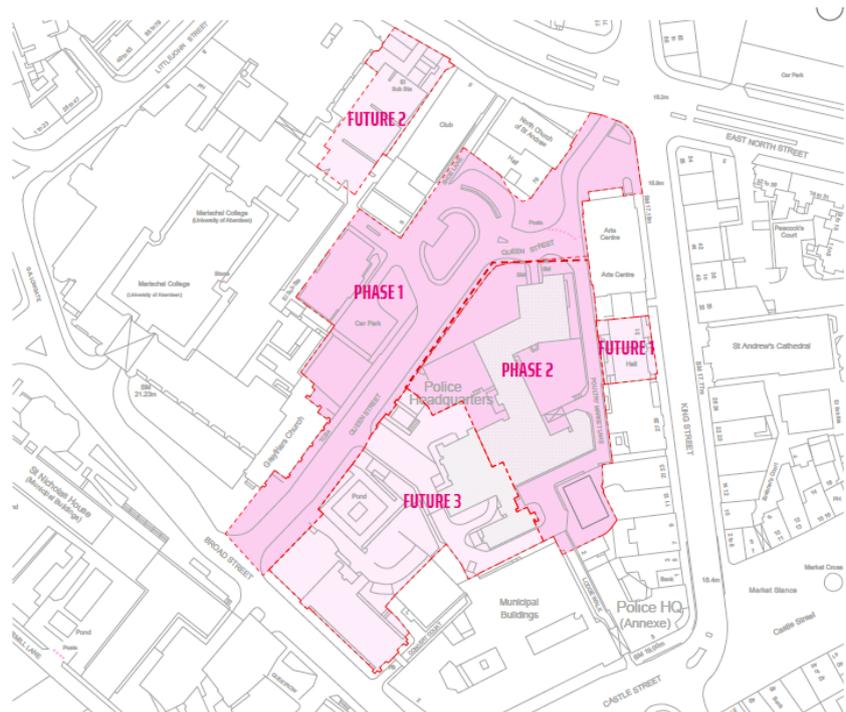


Diagram 6: Queen Street Phasing

The team has identified Archibald Simpson House, the Civil Justice Centre, and the multi-storey car park on East North Street as potential sites for future project phases. However, they all lie out-with the current scope.

Greyfriars Church, The Lemon Tree, Aberdeen Art Centre and North Church of St Andrew lie outside of the site boundary, however the designs incorporate their future development plans and access requirements.

In all cases, the Council will restrict vehicular access to the Court and cell buildings, making them only accessible via the lane to the south-west of the Court building, reducing any adverse impacts on the roads surrounding the proposed development area. The team has included a turning circle in the designs to enable this.

In all cases, decisions on whether to retain or in-fill the basement section of the Police Headquarters building will be based on an assessment of which option represents best value.

This Strategic Outline Case covers Phase 1 and Phase 2 only, with future phasing opportunities should the associated buildings/land be acquired by ACC.

- **Phase 1** – developable area to north of Queen Street.
- **Phase 2** - developable area to south of Queen Street on site of/reusing former Police HQ building.
- **Future Phase 1** - Archibald Simpson house (currently occupied by Nestrans) could be repurposed.
- **Future Phase 2** – redevelop or repurpose multi storey car park.
- **Future Phase 3** – relocate and redevelop/repurpose City Council Support Service, Civil Justice Centre/Commercial Court, cells, and associated car parking

Architectural Heritage

There are a number of listed buildings and structures in the Queen Street area, as well as conservation area designation to consider. Rather than be seen as constraints, the civic and other built heritage can be considered assets that contribute to creating a sense of place that Aberdeen must develop to differentiate from its competitors.

There is the opportunity to incorporate the Arts Centre, Archibald Simpson House on King Street, and the Lemon Tree redevelopment (pending their own business case outcomes).

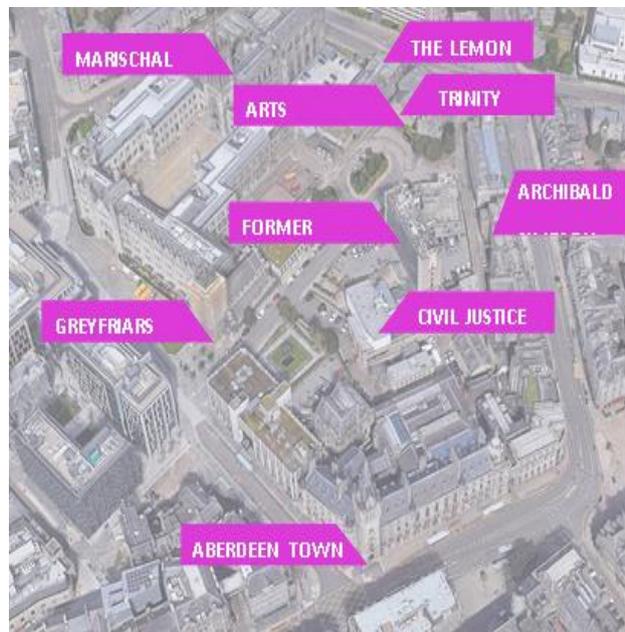


Diagram 7: Queen Street adjoining buildings

Scale and Massing

Architectural expression and urban form are critical to the perceived success of the new development. The brief will not be prescriptive about materials and specific finishes, those will emerge as the design develops and be appropriate to the proposed urban form. It is essential that key vistas and landmarks are respected and celebrated in proposals for Queen Street.

Access

The aim is to restrict vehicular movement in preference of active travel, by linking to Broad Street and the city centre to the Southwest and to Beach Boulevard at the Northeast of the site. Access will be maintained to Marischal College for ACC and Police Scotland, City Council Support Service parking and Civil /Commercial Court.

Site constraints

The following site constraints have been identified:

- Service access to Marischal College to be maintained.
- Access via Queen Street to Marischal College accessible/blue light parking to be maintained. This is to be located to the rear of Greyfriars Church.
- Access via Queen Street to multi storey car park to be maintained.
- Managed access for special events could be allowed into Marischal College quad.
- Queen Street should have an active frontage. Ground floor gardens should be provided as appropriate.
- Emergency vehicle/service access to be maintained on Queen Street.
- Lemon Tree extension to be accommodated.
- North Church of St Andrew extension to be accommodated.
- Allowance for external seating at the rear of Greyfriars Church.
- Arts Centre to be maintained as is.
- Building on Poultry Market Lane/Lodge Walk to be demolished.
- Existing vehicle access/egress to cells on Poultry Market Lane/Lodge Walk to be maintained, or more efficient route established
- New development to be car free.
- New buildings to be capped at 4 storeys.
- Retention of former Police HQ building basement would perhaps be more cost effective. This could be isolated from the Court basement.
- Opening up of Lodge Walk to be confirmed.
- Ability for vehicle access along Queen Street exiting on East North Street to be confirmed.
- Demolition split between Civil Justice Centre/Commercial Court and Police HQ to be confirmed.
- Conservation statement potentially beneficial to set out importance of surrounding built fabric, identifying keys landmarks, views etc.
- Early-stage carbon calculations required to inform retention of former Police HQ building.

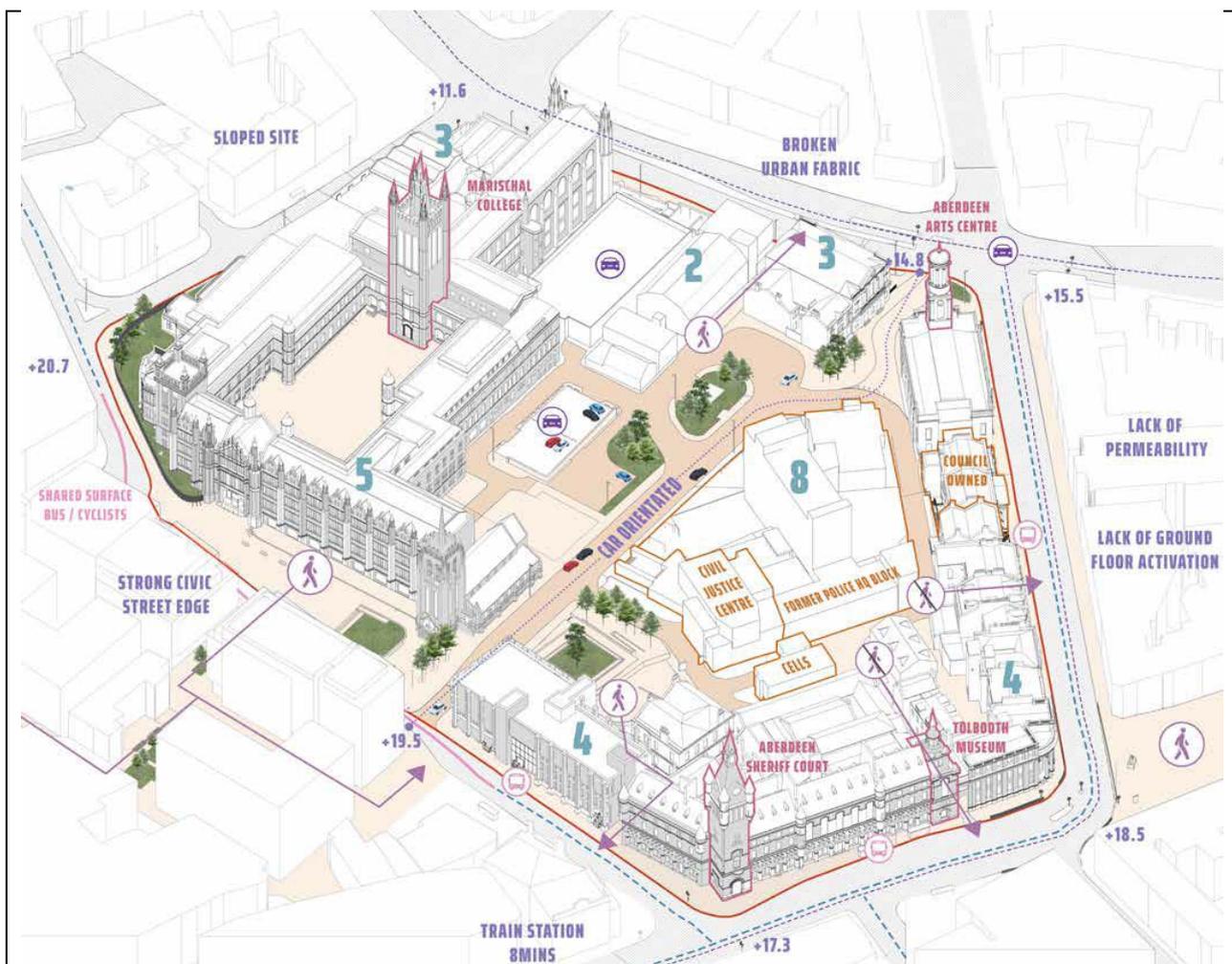


Figure 1: Queen Street Existing Site

The Short List Options

An overview of each of the five Short List options is provided below.

Option 1 – Do Nothing / Do Minimum

ACC sells the site and has no control over any future development. The former Police HQ building would not be demolished, and ACC would withdraw from discussions with the SCTS on their relocation.

Advantages

- Saves any future investment costs from ACC

Disadvantages

- Fails to deliver on ACC's objectives for the site
- Is not aligned with CCBMP and Partnership Agreement

- Misses the opportunity to deliver major improvements to Queen Street under the control and influence of ACC.

Option 2 – Urban Park across cleared site

Development for a full Urban Park and associated public space and pavilion and creation of vehicle turning point to maintain access to periphery buildings. The proposal is outlined in the sketch below, to complement surrounding civic, commercial, and cultural uses.

An Urban Park would provide external green space to complement Broad Street, contribute to improved health and wellbeing, create a setting for outdoor cultural events associated with the Lemon Tree, Arts Centre and Marischal East (Anatomy Rooms), whilst at the same time providing links to East North Street and on to the Beach, enhancing connectivity.



Figure 2: Option 2 Plan

A pedestrian led/shared surface street is animated by a series of community facilities and urban rooms, providing opportunities for food and beverage break out and improved health and well-being of residents and visitors. There is the opportunity for landscaped public realm, green space, play park, allotments, multi-use games area etc. A pavilion sits at the Northeast of the site to activate the public realm adjacent to the proposed new entrances extensions.

The layout below highlights what an Urban Park could look like under Option 2.



Figure 3: Option 2 Urban Park Landscaping Layout

Option 2 - Landscaping features:

- A linear linking pedestrian and cyclist route connecting Broad Street to King Street
- A pavilion and informal play area set within an open public lawn
- Formal terraced gardens, incorporating existing stone walls, providing a setting to the adjacent historic buildings, and creating intimate space for seating and socialising
- A paved civic square and events space which can host spill out from the Lemon Tree and church
- Community orchard/growing space.

Option 2 - Landscape Opportunities

- Creation of accessible green space within the city for the local community
- Greenest of all the options which would maximise the environmental services provided
- Opportunity to create new physical and visual connections from King Street towards the park(s)
- Formal walled garden would be sympathetic to adjacent Marischal College buildings and would provide outdoor space for local students and professionals

Option 2 - Landscape Constraints

- Already provision of large urban park within the city centre
- Existing buildings provide limited active frontage and passive surveillance of the main park space
- Potential anti-social behaviour problems as a result of the above
- Potential lack of sense of ownership
- Maintenance burden of large public space.

Option 2 - Advantages

- No need to engage a Development Partner
- ACC has full control over what this Option delivers
- Makes the most significant contribution to urban green space, biodiversity, air quality and health and well-being of all options
- Opportunity to use the park to promote the assets around the site and contribute to the success of this new facility
- Formal walled garden would be sympathetic to adjacent Marischal College buildings and would provide outdoor space for local students and professionals
- Contributes to City “Greening” and urban drainage

Option 2 - Disadvantages

- No major opportunity to generate revenue income
- ACC needs to maintain the large park in perpetuity
- Potential for lack of sense of ownership
- Already provision of large urban park, Union Terrace Gardens nearby within the city centre. New development may not prove to be as popular a space as UTG.
- Existing buildings provide limited active frontage and passive surveillance of the main park space
- Potential anti-social behaviour problems as a result of the above.

Option 3 – Building retention with possible partial demolition, mixed use and urban park

Mixed use development with retail/leisure and workplace at ground floor on primary, more public frontages with residential above. Quieter routes have residential at ground floor, benefiting from private gardens. The existing Police HQ is partially demolished, with the retained element converted to apartments to increase density and lower embodied carbon. Assumes support spaces to lower levels e.g., Cycle parking, storage, gyms etc.

A shared surface connects the components, with vehicular access retained to Northwest of site. The Urban Park is located to the Northeast of the site, allowing access to the Lemon Tree and North Church entrance extensions.



Figure 4: Option 3 Plan

Development of c. 100 apartments over 2-8 storeys. Approximately 640m² / 6,890 sq. ft of retail space over 1 storey, which can be split into appropriately sized units. Finally, c. 2,000m² / 21,525 sq. ft GIA of workspace over 2 storeys, which can be split into appropriately sized floor plates.

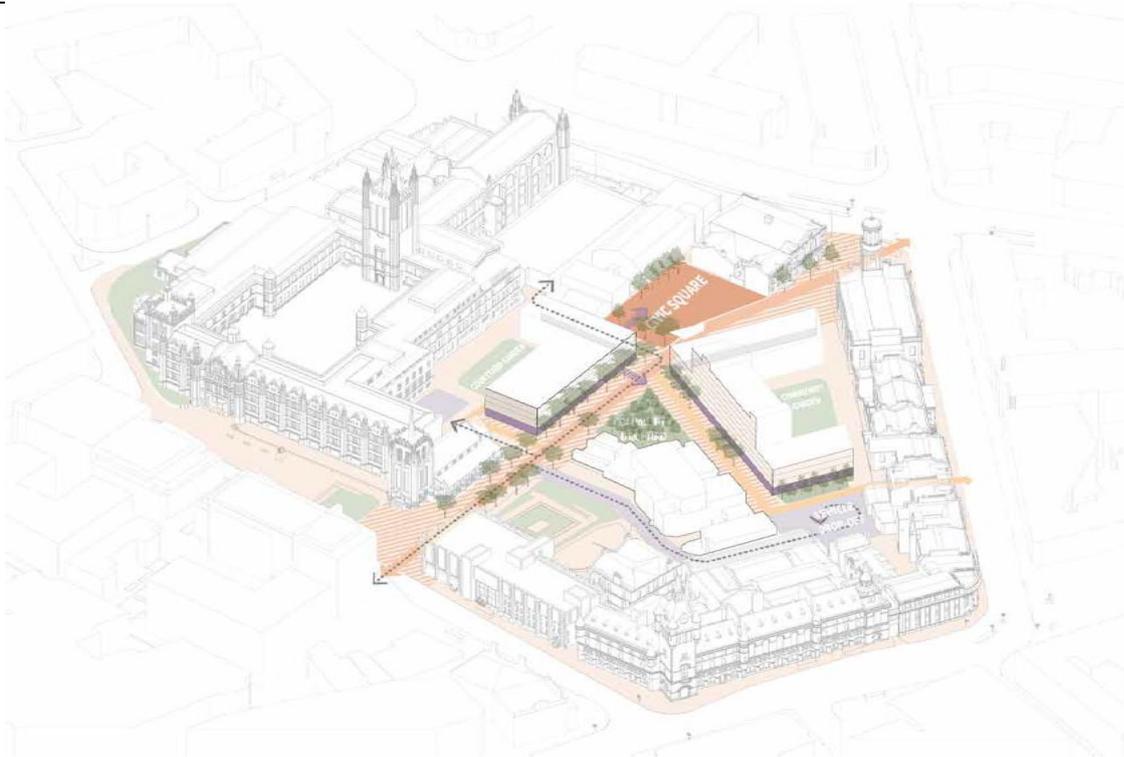


Figure 5: Option 3 refurbishment of Police HQ Building

Option 3 - Advantages

- Activation along the street edge
- Provide increased opportunities for density
- Create a city marker with existing scale and mass
- Provide a focal point and destination within the urban park
- Lower embodied and whole life carbon
- Opportunity to provide a variety of uses in line with “20-minute neighbourhood” principles

Option 3 - Disadvantages

- Technical difficulty involved in partially demolishing the Police HQ, including concerns about the continuity of the neighbouring court.
- Less green space than Options 4 and 5
- Fewer entrances from the refurbished block to activate the proposed green street.

Option 4 – Mixed use urban park and residential units on cleared site

Residential with mixed use on Ground Floor and vehicular access retained to Northwest of site. The sketch concept seeks to re-imagine the historic pattern of perimeter residential blocks. A shared surface connects the residential components. The Urban Park is located to the Northeast of the site, allowing access to the Lemon Tree and North Church entrance extensions.

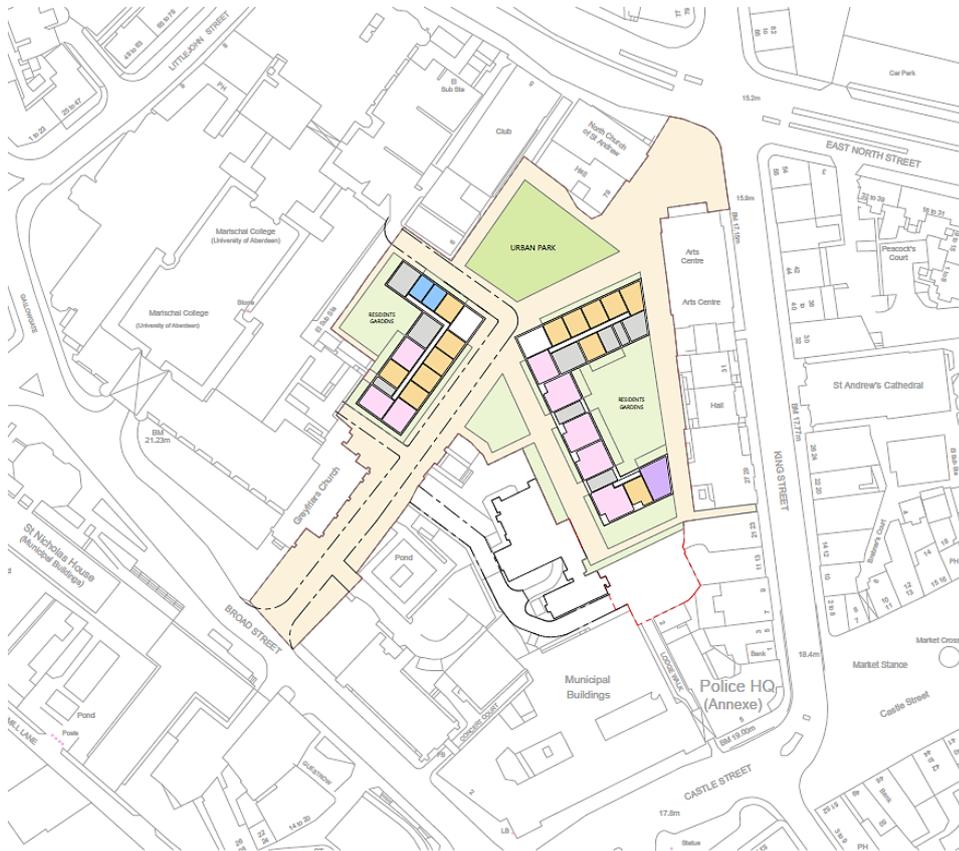


Figure 6: Option 4 Plan

Development of around 100 apartments over 4 storeys. (Exact details of typology, mix and number of units still to be confirmed).

The layout below highlights what an Urban Park could look like under Options 3 & 4.



Figure 7: Option 4 Urban Park Landscaping Layout

Option 4 - Landscape features:

- A linear linking pedestrian and cyclist route
- Potential to maximise green and biodiversity through inclusion of green roofs on top of new buildings
- Resident's courtyard gardens
- Community orchards/growing spaces for local residents
- A paved civic square and events space which can host spill out from the Lemon Tree and church
- Green residential street

Option 4 - Opportunities

- Provision of green space for a range of local residents e.g., informal play area for families and a more intimate courtyard garden
- Growing spaces could be linked to possible future city-wide initiatives to improve local well-being and sustainable drainage
- Better definition and enclosure of the civic square
- Defined hierarchy of pedestrian focussed streets and spaces

Option 4 - Constraints

- Reduced area of public green space
- Vehicle access further into the site

Option 4 - Advantages

- Focus on active travel, with historical routes maintained /reinstated.
- Activation of the street and urban park at ground floor.
- Vehicular access maintained to south-west of site, with shared surface provision to north-east.
- South/west facing public realm and green space.
- Attractive entrance setting created to the Lemon Tree, North Church of St Andrew, and Arts Centre.
- Private residents' gardens to rear of development.
- Development and density on the site are not maximised.
- Former police HQ is demolished in this scenario. Density could be increased should this be maintained.

Option 4 - Disadvantages

- Development and density on the site are not maximised.
- Former police HQ is demolished in this scenario.
- Reduced area of public green space and vehicle access further into site.

Option 5 – Mixed use development and larger Urban Park.

This option is basically as Option 4, but the North Block of residential development now becomes Urban Park space.

Mixed use development with retail/leisure and workplace at ground floor on primary, more public frontages with residential above. Quieter routes have residential at ground floor, benefiting from private gardens.

The sketch concept seeks to re-imagine the historic pattern of perimeter residential blocks. A shared surface connects the components, with vehicular access retained to the Northwest of site. The Urban Park is located to the Northeast of the site, allowing access to the Lemon Tree and North Church entrance extensions.

Development of c. 65 apartments over 4-6 storeys, with c. 262m² GIA of retail space over 1 storey, which can be split into appropriately sized units. Also c. 490m² GIA of workspace over 1 storey, which can be split into appropriately sized floor plates/units.



Figure 8: Option 5 Plan

The layout below highlights what an Urban Park could look like under Option 5.



Figure 9: Option 5 Urban Park Landscaping Layout

Option 5 - Landscape features:

- Formal terraced gardens, incorporating existing stone walls, providing a setting to the adjacent historic buildings, and creating intimate space for seating and socialising.
- A linear linking pedestrian and cyclist route.
- Potential to maximise green and biodiversity through inclusion of green roofs on top of new buildings
- Accessible roof terrace
- Community orchards/growing spaces for local residents
- A paved civic square and events space which can host spill out from the Lemon Tree and church
- Green residential street.

Option 5 – Opportunities

- Provision of green space to suit a range of local needs e.g., informal play area in community garden, residential roof terrace

- Growing spaces could be linked to possible future city-wide initiatives to improve local well-being and sustainable drainage
- Better definition and enclosure of the civic square.
- Defined hierarchy of pedestrian focussed streets and spaces
- Public realm connection between proposed retail units and existing retail offer along Upperkirkgate
- Formal walled garden would be sympathetic to adjacent Marischal College buildings and would provide outdoor space for local students and professionals.

Option 5 - Constraints

- Reduced area of public green space
- Vehicle access further into the site.

Option 5 - Advantages

- Focus on active travel, with historical routes maintained /reinstated.
- Activation of the street and urban park at ground floor.
- Vehicular access maintained to south-west of site, with shared surface provision to north-east.
- South/west facing public realm and green space (greater area than Option 4)
- Attractive entrance setting created to the Lemon Tree, North Church of St Andrew, and Arts Centre.
- Private residents' gardens to rear of development.
- Development and density on the site are not maximised.
- Former police HQ is demolished in this scenario. Density could be increased should this be maintained.
- Potential to create a varied community in line with 20-minute neighbourhood.
- Public realm connection between proposed retail units and existing retail offer along Upperkirkgate
- Increased size of Urban Park better aligned with Partnership Agreement.

Option 5 - Disadvantages

- Development and density on the site are not maximised.
- Former police HQ is demolished, density could be increased should this be maintained.
- Less residential/commercial space, due to increase in area of Urban Park, which will impact on financial viability.

6. Costs, Benefits & Risks

At this stage in the development of Options for Queen Street, it is too early to provide any meaningful Capital or Revenue costs, in part due to the lack of design/early stage of the process but also due to market volatility.

Various monetisable benefits will accrue to the range of options including the GVA of construction spend, land-value uplift from greenspace provision, housebuilding benefits and the GVA of commercial workspace. These will be assessed at OBC Stage.

An indicative summary of these benefits and anticipated values is provided below:

	Option 1	Option 2	Option 3	Option 4	Option 5
New Green Space	None	Strong	Medium	Medium	Strong
New Homes	None	None	Strong	Strong	Medium
Commercial Space	None	None	Strong	Strong	Strong

The project will also deliver the following qualitative benefits to Aberdeen City Centre:

- Health & wellbeing benefits associated with improved access to green space
- Potential to attract new visits to the City Centre through the hosting of food markets and events that complements the development of Queen Street: though this is again likely to be limited given the current development of other projects and venues to serve these purposes (such as the Aberdeen Market).

It should however be noted that in relation to Option 1- Do Nothing, £6M of Capital Costs (as outlined in section 1) have been incurred between HSNL and ACC on associated projects to assemble land, carry out minor demolition work and develop the Joint Integrated Mortuary project.

Until the site is sold, ACC will continue to incur revenue costs for Statutory Maintenance, Rates, and Health & Safety compliance in the former Police HQ building. These costs are estimated to be circa £390,000 per annum. Police Scotland continues to pay 50% of monthly running costs until such time as the Telecoms Masts on the roof are relocated.

Option 1 - Expected Benefits

The site is unlikely to deliver a Capital Receipt for ACC based on current market advice from Savills.

While it is conceivable that a private developer may take on responsibility for the site at a future date, this cannot be predicted with any certainty and has therefore not been modelled. There is also a risk of any future development being socially sub-optimal given the reduced degree of control that ACC would have over the nature of any future investment.

Risks Specific to this Option

Doing nothing delays developing the site (potentially until market conditions change), resulting in a blight on the city centre landscape.

There is also reputational risk to ACC of not delivering on a key component of the City Centre and Beach Masterplan.

Option 2 - Expected Benefits

The development of the Urban Park will deliver the following impacts:

- Increase the asset values for existing buildings in close proximity to the site
- Health & wellbeing benefits associated with improved access to green space: though this is likely to be negligible given the site's location within 300 metres of the Kirkyard of St Nicholas, within 500 metres of Union Terrace Gardens to the west, and within 1km of Queens Links to the east
- Potential to attract new visits to the City Centre through the hosting of food markets and events: though this is again likely to be limited given the current development of other venues to serve these purposes (Aberdeen Market and Castlegate).

Risks Specific to this Option

- Clearing the site for a new Urban Park, could result in large cost increases due to unforeseen problems with demolition of the existing structure, services relocations, removal of basements and complex ground conditions.
- Additional costs associated with high quality finishes to rear facades and exposed gable ends of surrounding buildings.
- Additional costs incurred to install screening to ensure privacy of the SCTS Courts operations, alongside surveillance costs to minimise security risks associated with this business.
- Construction cost inflation remains a significant risk to all projects in the foreseeable future, especially complex ones in city centres.

Other Points

ACC Planning has been consulted on this Option and has intimated no objections to the site being used as an Urban Park.

Option 3 - Expected Benefits

The development of this Option will deliver the following impacts:

- Increase the asset values for existing buildings in close proximity to the site
- Health & wellbeing benefits associated with improved access to green space

- Potential to attract new visits to the City Centre through the hosting of food markets and events: though this is again likely to be limited given the current development of other venues to serve these
- The project will create construction activity benefits including jobs, GVA and turnover for local construction businesses
- Housebuilding value added to the City Centre through the development of new residential units.

Risks Specific to this Option

- Clearing the site for a mix of urban park and residential units, could result in large cost increases due to unforeseen problems with partial demolition and retention/refurbishment of the existing structure, services relocations, removal of basements and complex ground conditions.
- Additional costs associated with high quality finishes to rear facades and exposed gable ends of surrounding buildings.
- Additional costs incurred to install screening to ensure privacy of the SCTS Courts operations, alongside surveillance costs to minimise security risks associated with this business.
- Sufficient occupation of both residential units once operational.
- Construction cost inflation remains a significant risk to all projects in the foreseeable future, especially complex ones in city centres

Other Points

ACC Planning has been consulted on this Option and has intimated no objections to the site being used as a mix of urban park and residential units.

Options 4 and 5 – Expected Benefits

The development of these option will deliver the following impacts:

- Increase the asset values for existing buildings in close proximity to the site
- Health & wellbeing benefits associated with improved access to green space
- Potential to attract new visits to the City Centre through the hosting of food markets and events: though this is again likely to be limited given the current development of other venues to serve these
- The project will create construction activity benefits including jobs, GVA and turnover for local construction businesses
- Housebuilding value added to the City Centre through the development of new residential units.
- GVA created through the development of commercial floorspace, and the jobs supported.

Risks Specific to these option

- Demolition of the site for an urban park and mixed-use development, could result in large cost increases due to unforeseen problems with demolition, services relocations, removal of basements and complex ground conditions.

- Additional costs associated with high quality finishes to rear facades and exposed gable ends of surrounding buildings.
- Additional costs incurred to install screening to ensure privacy of the SCTS Courts operations, alongside surveillance costs to minimise security risks associated with this business.
- Sufficient occupation of both residential and commercial units once operational.
- Construction cost inflation remains a significant risk to all projects in the foreseeable future, especially complex ones in city centres

Difference Between Options 4 and 5

While broadly similar, Option 5 differs in that it allows for a greater area of Urban Park space, at the expense of lesser volume of new housing provision.

Other Points

ACC Planning has been consulted on these Options and has intimated no objections to the site being demolished and used as an Urban Park and mixed-use development.

Scoring of Options Against Objectives

Objectives ²	Options Scoring Against Objectives				
	1	2	3	4	5
Strategic Alignment	-1	5	4	4	5
Impact on economic growth	-1	2	4	4	3
Impact on placemaking	-1	4	4	4	5
Affordability	0	0	3	4	4
Deliverability	5	4	3	4	4
Financial sustainability/exit strategy	0	-1	3	3	3
Environmental sustainability	1	5	4	4	4
Total	3	19	25	27	28
Ranking	5	4	3	2	1

² A full description of the scoring criteria is presented in the Shortlisted Option Summary Note

Scoring

Fully Delivers = 5

Mostly Delivers = 3

Delivers to a Limited Extent = 1

Does not Deliver = 0

Will have a negative impact on objective = -1

7. Funding & Affordability

State the cost, and identify the budget, to develop the project to prepare an Outline Business Case.

Should the decision to progress the Queen Street project, the budget to develop an Outline Business Case will be in the region of £67,500 as detailed below:

Hub North PMO Support – Included in PMO Budget

Stakeholder Engagement – Included in PMO Budget

Economic & Business Case Advisor £20k

Property Advisor £10k

Architect £15k

Landscape Architect £10k

Structural Engineer £5k

Cost Advisor £7.5k

Approximate Total £67.5k

Key risks associated with the project are outlined below.

Key Risks

Description	Mitigation
Construction inflation exceeds current allowances and makes the project unviable	Include appropriate levels of contingency and work with Tier 1 Contractors on mitigating actions similar to City Centre Interventions and the Beach
Delivery of new mortuary facility is delayed causing delay to developing proposals and demolition of Police HQ building and sequencing of Urban Park delivery	ACC has secured funding to construct a new Mortuary at Foresterhill, Aberdeen. Ensure this new facility is delivered by late 2024/early 2025.

Unable to secure Conservation area consent	Ongoing engagement and consultation with ACC Planning to understand any key issues and address development
Services separation between former Police HQ building and SCTS building proves more complex than anticipated causing programme delays and cost increases	Develop Services Separation Strategy to determine optimal solution
Neighbouring properties and businesses object to proposals resulting in programme delays and reputational loss to ACC and negative publicity for the project	Prepare Communications and Stakeholder Engagement Plan for neighbouring properties and businesses and engage with stakeholders
Lack of engagement with Public Sector partners to optimise development opportunities means opportunities to involve Public Sector partners in the development are lost	Develop Stakeholder and Communications Plan to optimise engagement and opportunities
Finance and delivery costs make the project unviable	Monitor costs closely and build in suitable contingency allowances

Next steps

The next steps in the Business Case process will be to develop an Outline Business Case.

This will involve the following activities for the preferred options that are agreed to be taken forward:

- Developing more detailed designs
- Calculating Capital and Revenue costs
- Developing a delivery Programme
- Preparing Development Appraisals to establish the financial viability of each Option
- Identifying a Preferred Option through a more detailed Options Appraisal.

8. Assumptions

Document the high-level assumptions that have been made during the development of the business case and any other unanswered questions that may be significant. Refer

to the Supplementary Guidance on Optimism Bias and detail the assumptions you have made in constructing the costs and business case.

[Green Book Supplementary Guidance Optimism Bias \(gov.uk webpage\)](#) (under 'Other Guidance and Reference Documents')

The following high-level assumptions have been made in preparing this Strategic Outline Case:

- ACC wishes to adopt as little commercial risk as possible
- ACC intends to retain control of the land for future city centre needs
- ACC has already invested heavily in land acquisition and demolitions which can be viewed as pump priming/ de-risking
- The main street (Queen St) is adopted and likely to continue as such. It is unlikely to have any lanes / side streets or urban green spaces associated with the development adopted
- ACC will prepare a Roads and Car Parking Strategy.

9. Document Revision History

Version	Reason	By	Date
1.0	First Draft	HNSL	15 November 2022
2.0	Second draft after ACC review	HNSL	16 November 2022