

Finance and Resources Committee

ABERDEEN, 7 December 2022. Minute of Meeting of the FINANCE AND RESOURCES COMMITTEE. Present:- Councillor McLellan, Convener; Councillor Yuill, Vice-Convener; and Councillors Bonsell (as substitute for Councillor Grant for items 10 and 14), Brooks (as substitute for Councillor Houghton), Cooke, Fairfull, Farquhar, Grant (for all items except 10 and 14) Greig, Macdonald, Nicoll, Radley, van Sweeden (as substitute for Councillor Hutchison) and Watson.

The agenda and reports associated with this minute can be found [here](#).

Please note that if any changes are made to this minute at the point of approval, these will be outlined in the subsequent minute and this document will not be retrospectively altered.

DETERMINATION OF EXEMPT BUSINESS

1. The Convener proposed that the Committee consider items 9.1 – (Work Plan and Business cases exempt appendices), 9.2 – (unrecoverable debt – exempt appendix), 13.1 – proposed disposal of Altens Lorry Park and 13.2 (Altens East Recycling and Resource Facility – update report) with the press and public excluded from the meeting.

The Committee resolved:-

in terms of Section 50A(4) of the Local Government (Scotland) Act 1973, to exclude the press and public from the meeting during consideration of the above items so as to avoid disclosure of information of the classes described in the following paragraphs of Schedule 7(A) to the Act:- article 5 (paragraph 8), article 6 (paragraph 6) article 18 (paragraph 9) and article 18 (paragraph 6).

DECLARATIONS OF INTEREST AND TRANSPARENCY STATEMENTS

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

Councillor Grant advised that he had a connection in relation to item 9.3 (Place Based Investment Programme and UK Shared Prosperity Fund) by virtue of him being a former Chairman of the Tillydrone Community Development Trust, and 9.4 (Capital Programme Delivery) by virtue of him having children at Riverbank Primary School. He considered that the nature of his interests would not require him to leave the meeting prior to consideration of the item.

Councillor Grant declared an interest in relation to agenda items 10.2 (Public Art Guidance and Panel) by virtue of him being Project Manager for Aberdeen Inspired and agenda item 13.4 (Wallace Tower) by virtue of him being a former Chairman of the Tillydrone Community Development Trust. He considered that the nature of his interests would require him to leave the meeting prior to consideration of the item.

FINANCE AND RESOURCES COMMITTEE

7 December 2022

MINUTE OF PREVIOUS MEETING OF 2 NOVEMBER 2022

3. The Committee had before it the minute of the previous meeting of 2 November 2022, for approval.

The Committee resolved:-

to approve the minute as a correct record.

COMMITTEE PLANNER

4. The Committee had before it the Committee Business Planner prepared by the Interim Chief Officer - Governance.

The Committee resolved:-

- (i) to remove items 5 (Commissioning and Procurement Services Risk Register);
- (ii) to remove items 11 (New Housing Programme Delivery), 12 (Summerhill New Build Housing Project Update), 13 (B999 Shiellhill Junction), 14 (Auchmill New Build Project update), 15 (Aberdeen Art Gallery), 82 (Tillydrone Primary School) and 83 (Housing Capital Led New Build projects) due to one consolidated report being prepared for this meeting;
- (iii) to transfer items 61 (Ellon Park and Ride to Garthdee Transport Corridor Study) and 62 (A96 Multi-Modal Study) to Net Zero, Environment and Transport Committee; and to request that the Chief Officer – Strategic Place Planning confirm what date the report on the Ellon Park and Ride will be report to Net Zero, Environment and Transport Committee;
- (iv) to request that the Chief Officer Capital confirm which date item 78 will be reported to Committee (Marywell to A956 Wellington Road cycle path) and whether it would be beyond 2024;
- (v) to note the reasons for the reporting delay in relation to items 7 (Aberdeen Hydrogen Hub), 10 (Wellington Road), 17 (Property Auction – alternative avenue of surplus asset disposal pilot project), 18 (Bucksburn Academy Extension – outline business case), 29 (St Machar Academy – removal of unused modular classroom building); and
- (vi) to otherwise note the planner.

WORK PLAN AND BUSINESS CASES – REVENUE - COM/22/272

5. The Committee had before it a report by the Head of Commercial and Procurement Service, which presented work plans where expenditure was included for the Resources Function to Committee to review; and also sought approval of the total

FINANCE AND RESOURCES COMMITTEE

7 December 2022

estimated expenditure for the proposed contract as contained in the Procurement Business Case appended to the report.

The report recommended:-

that the Committee –

- (a) review the workplan as detailed in the Appendices for the Resources Function;
- (b) approve the procurement business case, including the total estimated expenditure for the proposed contract; and
- (c) note the content of Appendix 3 - 3.10 Memos (Exemption Urgency).

The Committee resolved:-

to approve the recommendations.

UNRECOVERABLE DEBT - CUS/22/271

6. The Committee had before it a report by the Chief Officer – Customer Experience, which advised on numbers and values of Council Tax, Non-Domestic Rates, Housing Benefit Overpayments, Penalty Charge Notices, Bus Lanes Enforcement Charge Notices, Service Income and Council House Rent debts made unrecoverable during 2021/22 as required in terms of the Council's Financial Regulations and approved Non-Domestic Rates write off in excess of £25,000.

The report recommended:-

that the Committee -

- (a) approve the listing of the Non-Domestic Rates debts in excess of £25,000 shown in Appendix 6 as unrecoverable and instruct the Chief Officer – Customer to write them off; and
- (b) note that the Financial Regulations number, value and reasons for debts written off for Council Tax, Non-Domestic Rates, Housing Benefit Overpayments, Penalty Charge Notices, Bus Lanes Enforcement Charge Notices, Service Income and Council house rent during 2021/22.

The Committee resolved:-

to approve the recommendations.

PLACE BASED INVESTMENT PROGRAMME AND UK SHARED PROSPERITY FUND - COM/22/277

7. The Committee had before it a report by the Chief Officer – City Growth, which sought approval for the allocation of grant funding from the Place Based Investment Programme (PBIP) Fund 2022/23 and bids to the UK Shared Prosperity Fund 2022/25.

The report recommended:-

that the Committee -

FINANCE AND RESOURCES COMMITTEE

7 December 2022

- (a) award up to £50,000 to the Ferryhill Railway Heritage Trust incorporating Ferryhill Men's Shed for the Restoration of historic Office Buildings and Water Tower project;
- (b) award up to £22,013 to the Fersands Fountain Community for the Nursery Garden Improvement Project with agreement to increase this up to the requested £33,000 should there be underspends in any of the previously approved projects; UK Shared Prosperity Fund;
- (c) award up to £70,000 to Aberdeen City Council Community Buildings Feasibility Studies project, subject to approval of the Aberdeen City Council Shared Prosperity Fund Investment Plan by the UK Government;
- (d) award up to £101,000 to Aberdeen City Council ClimateOS software project, subject to approval of the Aberdeen City Council Shared Prosperity Fund Investment Plan by the UK Government;
- (e) award up to £240,000 to Aberdeen City Council SPECTRA festival project subject to approval of the Aberdeen City Council Shared Prosperity Fund Investment Plan by the UK Government;
- (f) award up to £700,000 to Aberdeen City Council Tolbooth Museum Improvements and Structural Repairs project, subject to approval of a full business case by Finance and Resources Committee and subject to approval of the Aberdeen City Council Shared Prosperity Fund Investment Plan by the UK Government;
- (g) award up to £40,000 to Aberdeen City Council - Aberdeen Archives, Gallery and Museum for Reimagining the Cowdray Hall feasibility project subject to approval of the Aberdeen City Council Shared Prosperity Fund Investment Plan by the UK Government;
- (h) award up to £90,000 to Aberdeen City Council - Aberdeen Archives, Gallery and Museum for Aberdeen Archives Centre feasibility project subject to approval of the Aberdeen City Council Shared Prosperity Fund Investment Plan by the UK Government; and
- (i) award up to £150,000 to Aberdeen City Council – Aberdeen Archives, Gallery and Museum for Audience Evaluation & Acquisition feasibility project subject to approval of the Aberdeen City Council Shared Prosperity Fund Investment Plan by the UK Government.

The Committee resolved:-

- (i) to request that officers provide information to Councillor Macdonald outwith the meeting by way of email relating to Benholms Towers and the amount of funding already received and what had been requested; and
- (ii) to approve the recommendations contained in the report.

CAPITAL PROGRAMME DELIVERY: PROJECTS UPDATE - RES/22/281

8. The Committee had before it a report by the Chief Officer – Capital, which summarised the general progress of delivery of key capital expenditure projects identified within the approved Capital Programme from the General Fund and Housing Revenue

FINANCE AND RESOURCES COMMITTEE

7 December 2022

Accounts. The report also highlighted issued considered worthy of particular note which were specific to individual programmes/projects.

The report recommended:-

that the Committee -

- (a) note the current status of delivery of the Section 3 highlighted programmes/projects contained within the approved Capital Programme;
- (b) note that there is an on-going review of the approved Capital Programme to inform decision making when setting the new approved Capital Programme on Budget Day in March 2023;

The Convener moved, seconded by the Vice Convener:-

that the Committee:-

- (1) approves the recommendations; and
- (2) note that the Chief Officer – Capital would produce a Service Update regarding Union Terrace Gardens once it had been handed back to the Council following the completion of the works.

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

that the Committee:-

- (1) note the current status of delivery of the Section 3 highlighted programmes/projects contained within the approved Capital Programme;
- (2) note that there is an on-going review of the approved Capital Programme to inform decision making when setting the new approved Capital Programme on Budget Day in March 2023;
- (3) welcomes progress in the delivery of Countesswells Primary School, Torry Primary School and Hub and other projects;
- (4) following the decision by the SNP/Lib Dem administration to suspend the delivery of the new Tillydrone Primary School, at the meeting of Full Council in August 2022, notes paragraph 3.30 which sets out potential challenges in progressing work with the new school. Notes that the administration gave a clear commitment to deliver the new school by “Summer 2024” and calls upon the administration to reaffirm their commitment to deliver the new school within that timescale;
- (5) given the risks set out within paragraph 3.30, instructs the Chief Officer – Capital to produce a public engagement plan with both the Riverbank and St Peters RC school communities to keep them more fully apprised of progress and/or delays to both projects, and provide them with an opportunity to ask questions and discuss their concerns as a matter of urgency;
- (6) note that the SNP/Lib Dem administration agreed, at the meeting of Full Council in August 2022, to instruct the Chief Officer - Capital to pause the four Housing Capital Council-led new build projects, to evaluate the actions to be taken, assess best value and where appropriate retender work packages and report on the outcome of this review;

FINANCE AND RESOURCES COMMITTEE

7 December 2022

- (7) note that paragraphs 3.42 - 3.45 of the report set out that all works at both Craighill and Kincorth sites will remain suspended. In light of this, instructs the Chief Officer – Capital to report to the next Finance and Resources Committee with a clear implementation plan to ensure the committee has oversight on the delivery of these two important projects.

On a division, there voted:- for the motion (8) – the Convener, the Vice Convener and Councillors Cooke, Fairfull, Greig, Nicoll, Radley and van Sweeden; for the amendment (5) – Councillors Brooks, Farquhar, Grant, Macdonald and Watson.

The Committee resolved:-

- (i) to note that a meeting would be arranged with elected members from opposition parties, the Partnership and relevant officers, in order to investigate if a more robust reporting style in relation to capital projects could be utilised for this Committee;
- (ii) to note that the Chief Officer – Capital would send information to Members by way of email, regarding the Art Gallery costs and debts for the building; and
- (iii) to adopt the motion.

PERFORMANCE MANAGEMENT FRAMEWORK REPORT – COMMISSIONING AND RESOURCES - CUS/22/275

9. The Committee had before it a report by the Chief Officer – Data and Insight, which presented Members with the status of key cluster performance measures and activity indicators relating to the Commissioning and Resources functions.

The report recommended:-

that the Committee note the report and provide comments and observations on the performance information contained in the report appendix.

The Committee resolved:-

to note the report.

At this juncture, in accordance with article 2 of the minute, Councillor Grant left the meeting and was replaced by Councillor Bonsell for the following item of business .

PUBLIC ART GUIDANCE AND PANEL - COM/22/268

10. The Committee had before it a report by the Chief Officer – City Growth, which approved the improvement/transformation of service delivery and to establish the Public Art Panel Aberdeen (PAPA), which would be guided by the Public Art document to respond to all matters regarding public art the Council receive.

FINANCE AND RESOURCES COMMITTEE

7 December 2022

The report recommended:-

that the Committee -

- (a) approve the establishment of the Public Art Panel Aberdeen (PAPA), and the delegated power to the Chief Officer- City Growth develop appropriate Terms of Reference for the panel; and
- (b) approve the Public Art (PA) document provided in Appendix 1 to this report as the Council's guidance and process on the matter of public art requests, commissions and caretaking.

The Committee resolved:-

- (i) to approve the establishment of the Public Art Panel Aberdeen (PAPA), as per the Terms of Reference in Appendix 4 issued as a second additional circulation;
- (ii) to approve the Public Art (PA) document provided in Appendix 1 to this report as the Council's guidance and process on the matter of public art requests, commissions and caretaking;
- (iii) to note that where any public art proposal has a financial implication for the Council it will adhere to the proposed PAPA procedure and be reported to the Finance and Resources Committee; and where there is a funding implication, or application for funding to the Common Good this will be considered at the Council Budget meeting; and
- (iv) to agree to review the process after 12 months of operation and to report back to this committee after 12 months.

LOCAL AUTHORITY BUS SERVICES - OPE/22/278

11. The Committee had before it a report by the Chief Officer – Operations and Protective Services, which advised Members on the steps that would be necessary to establish the setting up by the Council of a municipal bus company or Local Authority operated bus services.

The report recommended:-

that the Committee –

- (a) note the requirements for the introduction of a municipal bus company and Local Authority operated bus services;
- (b) instruct the Chief Officer - Strategic Place Planning to continue to develop Bus Service Improvement Partnerships through the North East of Scotland Bus Alliance; and
- (c) instruct the Chief Officer - Operations and Protective Services to include assessment of Local Authority operated bus services when implementing supported bus services.

The Convener, seconded by the Vice Convener, moved:-

that the Committee approve the recommendations contained within the report.

Councillor Macdonald, seconded by Councillor Grant, moved as an amendment:-

FINANCE AND RESOURCES COMMITTEE

7 December 2022

that the Committee:-

- (1) note the requirements for introduction of a municipal bus company and Local Authority operated bus services;
- (2) instruct the Chief Officer - Strategic Place Planning to continue to develop Bus Service Improvement Partnerships through the North East of Scotland Bus Alliance, including developing the model of a municipal bus company for the potential future provision of services; and
- (3) instruct the Chief Officer - Operations and Protective Services to include assessment of Local Authority operated bus services when implementing supported bus services.

On a division, there voted:- for the motion (10) – the Convener, the Vice Convener, and Councillors Brooks, Cooke, Fairfull, Farquhar, Greig, Nicoll, Radley and van Sweeden; for the amendment (3) – Councillors Grant, Macdonald and Watson.

The Committee resolved:-

to adopt the motion.

COMPLEX CARE STRATEGIC BUSINESS CASE - ACHSCP/22/296

12. The Committee had before it a report by the Chief Officer – Health and Social Care Partnership, which provided details of the intended strategic direction for provision of complex care accommodation in the City within a Strategic Business Case and also sought approval to proceed hereafter to the production of an Outline Business Case.

The report recommended:-

that the Committee –

- (a) note the contents of the Strategic Business Case appended; and
- (b) instruct the Chief Officer – Capital to progress the Outline Business Case and to report back the outcome to this Committee in March 2023.

The Committee resolved:-

to approve the recommendations.

COMMUNITY WEALTH BUILDING - COM/22/279

13. The Committee had before it a report by the Chief Officer – City Growth, which provided an update on Community Wealth Building as a local place based economic development approach and sought approval of the proposed actions to develop a community wealth building approach.

The report recommended:-

that the Committee –

FINANCE AND RESOURCES COMMITTEE

7 December 2022

- (a) note the proposed short, medium and long-term actions for Community Wealth Building in Aberdeen (provided in Appendix 1 of this report); and
- (b) instruct the Chief Officer - City Growth to work with other relevant Chief Officers to implement the proposed actions.

The Committee resolved:-

- (i) to note that the Chief Officer – City Growth would provide information to members by way of email, relating to the evaluation of the Torry Rocks scheme;
- (ii) to request that the Chief Officer – City Growth provide details to Members in relation to the Business Gateway Community Advisor post, including the data analysis related to this post, by way of Service Update;
- (iii) to note the proposed short, medium and long-term actions for Community Wealth Building in Aberdeen (provided in Appendix 1 of this report);
- (iv) to instruct the Chief Officer - City Growth to work with other relevant Chief Officers to implement the proposed actions; and
- (v) to support the development of CWB plans by undertaking two mappings. Firstly, of existing community institutions which can support CWB in Aberdeen, including Credit Unions, Living Wage employers, and the business sector. Secondly, of spend by Aberdeen City Council, both capital and revenue, compliant with the Local Multiplier (LM3) methodology developed by the New Economics Foundation.

At this juncture, in accordance with article 2 of the minute, Councillor Grant left the meeting and was replaced by Councillor Bonsell for the following item of business.

WALLACE TOWER - RES/22/276

14. With reference to article 21 of the minute of meeting of the City Growth and Resources Committee of 21 September 2022, the Committee had before it a report by the Chief Officer – Corporate Landlord, which advised of the outcome of the consultation regarding the proposed disposal of this Common Good property following the amendment to the original asset transfer request for the purchase of the Wallace Tower by the Tillydrone Community Development Trust. The report also sought to request approval to petition the Court, under section 75 of the Local Government (Scotland) Act 1973, to receive authority to dispose of this Common Good Property under section 74 of the Local Government (Scotland) Act 1973 and the Land Disposal (Scotland) Regulations 2010.

The report recommended:-

that the Committee -

- (a) note the representations received during the Consultation period;
- (b) instruct the Chief Officer - Governance to lodge a petition with the Courts under Section 75(2) of the Local Government (Scotland) Act 1973 for authority to

FINANCE AND RESOURCES COMMITTEE

7 December 2022

- dispose of the Wallace Tower and associated Common Good land within Seaton Park extending to circa 435sq.m; and
- (c) if the requested authority is granted by the Court, to instruct the Chief Officer - Corporate Landlord, to progress the asset transfer request under section 74 of the Local Government (Scotland) Act 1973 and the Disposal of Land by Local Authorities (Scotland) Regulations 2010.

The Committee resolved:-

- (i) to instruct the Chief Officer - Corporate Landlord to include a right of pre-emption, in favour of the Council, in the event that the Proposed Development does not take place within a reasonable timeframe and a right of first refusal to purchase the asset should it ever be sold by the Trust; and
- (ii) to otherwise approve the recommendations.

TOLBOOTH MUSEUM EXTERNAL IMPROVEMENTS AND STRUCTURAL REPAIRS - RES/22/274

15. The Committee had before it a report by the Chief Officer – Corporate Landlord, which sought approval of the Full Business Case associated with the Tolbooth Museum External Improvement and Structural Repairs project and for approval to award the contract.

The report recommended:-

that the Committee -

- (a) approve the Full Business Case for the Tolbooth Museum as shown in Appendix A; and
- (b) approve the award of the contract for the Tolbooth Museum to Building Services for the amount detailed in this report.

The Committee resolved:-

to approve the recommendations.

In accordance with Article 1 of this minute, the following items were considered with the press and public excluded.

PROPOSED DISPOSAL OF ALTENS LORRY PARK - RES/22/269

16. The Committee had before it a report by the Chief Officer – Operations and Protective Services, which advised Members of the proposal to sell the ground lease site comprising the Altens Lorry Park, Hareness Road, Altens, Aberdeen following an approach from the Council's tenant.

The report recommended:-

FINANCE AND RESOURCES COMMITTEE

7 December 2022

that the Committee -

- (a) accept the recommendation as detailed in paragraph 3.14 of the report; and
- (b) instruct the Chief Officer – Governance to conclude missives for the sale of the property incorporating various qualifications as are necessary to protect the Council's interest, together with any other matters as are required to complete the sale.

The Committee resolved:-

to approve the recommendations.

ALTENS EAST RECYCLING AND RESOURCE FACILITY - UPDATE REPORT - RES/22/297

17. The Committee had before it a report by the Chief Officer – Operations and Protective Services, which provided an update for Members on the current situation at Altens East Recycling and Resource Facility and sought approval to reinstate the facility.

The report recommended:-

that the Committee -

- (a) note the contents of the Strategic Outline Case for Altens East Recycling & Resource Facility and the comments from the Government's advisory body - Zero Waste Scotland at section 3.24;
- (b) approve Option 1 of the Strategic Outline Case for Altens East Recycling & Resource Facility;
- (c) instruct and delegate authority to the Chief Officer – Capital to progress the reinstatement of the Altens East Recycling & Resource Facility working with the Council's Waste Contractors – Suez, Chief Officer – Corporate Landlord, Insurers, and all associated stakeholders;
- (d) delegate authority to the Chief Officer – Capital following consultation with the Chief Officer - Commercial and Procurement to approve entering into agreements between the Council and contractors working on the reinstatement of the facility, which are ancillary to main re-instatement works contracts, where it is in Council's interests to do so;
- (e) delegate authority to the Chief Officer – Capital following consultation with the Chief Officer - Commercial and Procurement and Chief Officer – Finance to approve the procurement and appointment of external consultants and associated expenditure, where independent advice would be to the benefit of the Council as owner of facility;
- (f) delegate authority to the Chief Officer – Operations and Protective Services, following consultation with Chief Officer – Capital and Chief Officer - Commercial and Procurement to negotiate and agree variations or supplemental agreements to the Waste Service Contract with SUEZ, as a consequence of reinstatement works for Altens East Recycling & Resource Facility; and

FINANCE AND RESOURCES COMMITTEE

7 December 2022

- (g) instruct the Chief Officer – Operations and Protective Services to update the Net Zero Committee on progress of the reinstatement of the services and ongoing business continuity arrangements.

The Committee resolved:-

to approve the recommendations.

EXEMPT APPENDICES

18. The Committee had before it for consideration, exempt appendices relating to the Work Plan and Business Cases – Revenue report and the Unrecoverable Debt report. (Articles 5 and 6 of this minute refers)

The Committee resolved:-

to note the information contained within the exempt and confidential appendices.

- **COUNCILLOR ALEXANDER MCLELLAN, Convener**