

## Finance and Resources Committee

ABERDEEN, 8 August 2023. Minute of Meeting of the FINANCE AND RESOURCES COMMITTEE. Present:- Councillor McLellan, Convener; Councillor Yuill, Vice-Convener; and Councillors Allard, Al-Samarai (as substitute for Councillor Hutchison), Cooke, Fairfull, Farquhar, Greig, Houghton, Macdonald, Radley, Tissera (as substitute for Councillor Malik) 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 item 7.1 (Council Financial Performance – Quarter 1, 2023/24 – Exempt Appendix) 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 item so as to avoid disclosure of information of the classes described in paragraph 6 of Schedule 7(A) to the Act.

### 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 was intimated:-

(1) Councillor Macdonald advised that she had a connection in relation to agenda item 6.1 (Council Financial Performance – Quarter 1, 2023/24) by virtue of her being a member of Aberdeen Heat and Power Board, however having applied the objective test, she did not consider that she had an interest and would not be withdrawing from the meeting.

### MINUTES OF MEETINGS OF FINANCE AND RESOURCES COMMITTEE OF 5 AND 6 JULY 2023

3. The Committee had before it the minutes of meetings of the Finance and Resources Committee of 5 and 6 July 2023.

#### The Committee resolved:-

to approve both minutes.

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### **COMMITTEE PLANNER**

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

#### **The Committee resolved:**

- (i) to note the reasons for deferral in relation to item 15 (Financial Settlement from Transport Scotland for the De-trunking of the A92/A96 (Haudagain Improvement));
- (ii) to request that the Chief Officer – Strategic Place Planning circulate an update to members of the Committee in relation to item 11 (Sustainable Drainage System (SUDS) Section 7; and
- (iii) to otherwise note the Planner.

### **TRANSPARENCY STATEMENT**

**During discussion of the following item of business, a question relating to Sport Aberdeen was raised. At this juncture, Councillor Cooke advised that he had a connection in relation to this by virtue of him being an observer on Sport Aberdeen Board. Having applied the objective test, he did not consider that he had an interest and would not be withdrawing from the meeting.**

### **COUNCIL FINANCIAL PERFORMANCE - QUARTER 1, 2023/24 - RES/23/255**

5. The Committee had before it a report by the Director of Resources which provided details of the financial position of the Council as at Quarter 1 (30 June 2023) and the full year forecast position for the financial year 2023/24, including:-

- General Fund and Housing Revenue Account (HRA) and capital accounts; and associated Balance Sheet; and
- Common Good revenue account and Balance Sheet.

#### **The report recommended:-**

that the Committee –

- (a) note the cash position that has been achieved for the General Fund and HRA to the end of Quarter 1 as detailed in Appendix 1;
- (b) note the Common Good financial performance to the end of Quarter 1 as detailed in Appendix 3, specifically the £0.733m reduction in cash balances due to investment volatility;
- (c) note that the General Fund full year forecast position remains very uncertain at this time and subject to the successful implementation of actions as per Appendix 2 and no further financial shocks, then a full year outturn position of 'on budget' is anticipated;
- (d) note that financial resilience to mitigate the risks of overspending is underpinned by the resources available on the Council Balance Sheet and General Fund

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Reserves in particular. As at 31 March 2023 the uncommitted value of those reserves was £12m, the minimum that the Council Reserves Statement recommends and as approved by the Council;

- (e) note that the HRA full year forecast position, as detailed in Appendix 2, is on target to achieve the approved budget;
- (f) note that the Council relies on the Integration Joint Board (IJB) achieving a balanced budget, and that the IJB retains reserves to mitigate unplanned additional costs arising during the year;
- (g) note that the forecast for General Fund Capital budget is that it will be lower than its revised budget and Housing Capital expenditure will be on budget in 2023/24 as described in Appendix 2;
- (h) note that due to the prevailing market conditions of high inflation and supply chain volatility, and the requirements of the Prudential Code for the Council to manage capital investment through a programme that is prudent, affordable and sustainable, the Chief Officer – Capital will present a review of the General Fund Capital Programme to this Committee in September. In conjunction with individual reports on capital business cases, that report will demonstrate our approach to value for money and to ensure that external scrutiny is robustly evidenced; and
- (i) approve the write off of debt as noted in Appendix 5.

### **The Committee resolved:-**

- (i) to approve the recommendations;
- (ii) that the Chief Officer – Finance circulate details to Councillor Watson in relation to Sport Aberdeen's credit line arrangements;
- (iii) that the Chief Officer – Finance circulate details to Councillor Tissera in relation to how many ACC officers over the age of 65 had sought VSER in the past 2 years and at what cost to the Council; and
- (iv) that in relation to the closure of the small financial assistance grant scheme, that the Chief Officer – Finance circulate details to all members of the Committee in relation to the organisations and the financial sums involved.

**In accordance with the decision taken at Article 1 of this minute, the following item was considered with the press and public excluded.**

### **COUNCIL FINANCIAL PERFORMANCE - QUARTER 1, 2023/24 - EXEMPT APPENDIX**

**6.** The Committee had before it an exempt appendix relating to the Council Financial Performance – Quarter 1, 2023/24 report. (Article 5 of this minute refers).

### **The Committee resolved:-**

to note the information contained within the exempt appendix.

- **COUNCILLOR ALEX MCLELLAN, Convener**