

26 February 2010

Councillor John Stewart  
Leader  
Aberdeen City Council  
Town House  
Broad Street  
Aberdeen  
AB10 1FY

Dear Councillor Stewart

### **CITY SQUARE PROJECT**

As well as organising an open seminar meeting for around 100 SCDI members on 11 February, the above project was also discussed in some detail at the SCDI North East Committee meeting held earlier that same evening.

The ACSEF Team, represented by Tom Smith, Maggie McGinlay and Sir Ian Wood CBE, took our Committee through their latest thinking on the project. In addition, we circulated information from Peacock Visual Arts highlighting some of their issues. Peacock presented to the SCDI Committee in late 2008 on their original scheme. Following the presentation the Committee went into private session for a discussion on the issues and some of the concerns that have been raised. Our Committee Vice Chairman, Dr Jimmy Milne CBE of Balmoral Group had articulated some of his own concerns earlier in the week via the media.

Our purpose in writing is to summarise the thoughts of the SCDI Committee and also some of the views shared with us by members at the later open seminar session. In terms of the Committee, which informs our policy making, we did not reach 100% unanimity on our position, but the majority view was that SCDI supports the concept of the raising of the Union Terrace Gardens (UTG)/Denburn Valley area to create a new five acre civic space and would like the proposal to be taken to the next stage. This support presumes that the project cost estimates (£120 - £140m) are robust and that the quality and design of the built structures that fill this space both above and below ground level are high. There is also a clear desire to see a minimum of 50% of the space retained as green or garden space and preserve historic features. With those provisos the overarching vision and the potential it offers for the City/Region is supported by SCDI. The Committee re-endorses SCDI's already stated view that the ACSEF and Peacock Teams should work together to deliver this greater vision. As a small organisation

Peacock has achieved a tremendous amount in advancing its original scheme to a stage where planning permission and 70% funding was achieved and their talents should be harnessed as part of the potential larger scheme. The current polarised position is unfortunate and needs to be overcome for the greater good of the city.

SCDI believes that transformational projects are necessary to sustain the success of the NE economy and to underpin the region's status as a global centre of expertise for oil and gas, building on 40 years of North Sea production. Such projects have an important role to play in underpinning the region's attractiveness as a place to locate a business to live, work, visit and invest. No single project will in itself determine the future prosperity, or otherwise, of the city. Should the Union Terrace Gardens/Denburn Valley project not be supported, SCDI believes that the North East economy can still be successful in the long-term. That being said, the wider vision of a raised UTG/Denburn Valley incorporating a revised Peacock led contemporary arts centre is a major opportunity which would bring significant benefits to the city. It can enhance its quality of life and further demonstrate that it continues to be an attractive place to live and invest, as well as acting as a catalyst for a wider vision for the City Centre.

SCDI understands that both ACSEF and Peacock are passionate about achieving the best outcome for the North East and its people. SCDI believes there is a role for Aberdeen City Council to demonstrate the benefits of its increased business focus and change agenda over the past 15 months and take a strong leadership role in brokering compromise and an agreement. A common vision and purpose should be mapped out. SCDI is of the view that, given Aberdeen's contribution to the Scottish economy, the relative underfunding by central government of major projects in the area and the scale of the opportunity, the Scottish Government, Scottish Enterprise and the Scottish Arts Council/Creative Scotland will then continue to offer committed funding support. If SCDI can assist in this process then we would be happy to do so.

Regards

Duncan Skinner  
**Chairman – SCDI North East Committee**