

ABERDEEN CITY REGION DEAL:

Powering Tomorrow's World

ABERDEEN, 5 June 2020. Minute of Meeting of the ABERDEEN CITY REGION DEAL JOINT COMMITTEE. Present:- Councillor Laing, Chairperson; Councillor Councillor Jim Gifford, Vice-Chairperson; Councillors Boulton, Lumsden, Argyle, Professor Stephen Logan, Mr Patrick Machray, OBE and Sir Ian Wood; .

The agenda and reports associated with this minute can be located [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.

APPOINTMENT OF CHAIRPERSON AND VICE CHAIRPERSON

1. The Clerk sought nominations for Chairperson of the Joint Committee, whereupon:-

Councillor Gifford, seconded by Councillor Argyle, moved:-
that Councillor Jenny Laing be appointed as Chairperson of the Joint Committee.

The Clerk then sought nominations for Vice Chairperson of the Joint Committee, whereupon:-

The Chairperson, seconded by Councillor Lumsden, moved:-
that Councillor Jim Gifford be appointed as Vice Chairperson of the Joint Committee.

The Joint Committee resolved:-

- (i) to appoint Councillor Laing as Chairperson; and
- (ii) to appoint Councillor Gifford as Vice-Chairperson.

At this juncture, Councillor Laing assumed the chair.

CHANGES TO MEMBERSHIP OF THE JOINT COMMITTEE

2. The Joint Committee had before them a notification of a change to its membership as follows:-

Councillor Alex Nicoll to replace Councillor Stephen Flynn as a named substitute.

The Joint Committee resolved:-

to note the change to the membership.

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DETERMINATION OF EXEMPT BUSINESS (IF ANY)

3. The Chairperson (1) made reference to the Joint Committee's Standing Orders advising that they don't currently allow for members' who were participating remotely to consider confidential or exempt business; and (2) explained that a report proposing changes to the Standing Orders, would be considered later on the agenda.

In this regard, the Chairperson moved to suspend Standing Order 33 in order for the Joint Committee to consider an exempt report at item 13 (City Region Deal – Financial Update Q4 2019/20).

The Committee resolved:-

- (i) to suspend Standing Order 33 to consider the exempt report; and
- (ii) in terms of Section 50(A)(4) of the Local Government (Scotland) Act 1973, to exclude the press and public from the meeting at item 13, so as to avoid disclosure of information of the classes described in paragraph 6 of Schedule 7(A) to the Act. Article 12 of this minute refers.

DECLARATIONS OF INTEREST

4. No declarations of interest were intimated in respect of the items on today's agenda.

MINUTE OF PREVIOUS MEETING OF 7 FEBRUARY 2020, FOR APPROVAL

5. The Joint Committee had before it the minute of its previous meeting of 7 February 2020, for approval.

With reference to article 4 (Quarterly Progress Update), the Joint Committee heard Jennifer Crow provide and update in relation to the unsuccessful challenge fund bid relating to the Food Hub, advising that the final awards were announced on 29 May 2020 and that officers were now aware of the type of projects that were successful and the amounts awarded.

With reference to article 6(3) (Audit Scotland: Scotland's City Region Deals and Growth Deals), The Project Manager advised that Audit Scotland had responded on 14 February 2020 advising that it was not in their remit to make recommendations to the private sector however the principles were carried forward and therefore it would be good practice for all members to take their comments on board.

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With reference to article 8 (Finance Report – Financial Update Q3, 2019/2020), the Joint Committee heard Patrick Machray intimate that the minute did not quite encapsulate in stronger terms, his view in relation to the need for the commitment on the funding for building projects, particularly in terms of contractual arrangements. In response, the Project Manager advised that the report did emphasise this and discussions had been held with the Scottish Government regarding funding flexibility for City Region Deals to progress projects, with assurances being provided by them verbally in this regard. She indicated that officers were awaiting written confirmation that funding would be rolled over.

The Committee resolved:-

- (i) to note that officers would provide an update in relation to written clarification from the Scottish Government regarding the flexibility of funding for City Region Deal projects;
- (ii) to note the information and updates provided; and
- (ii) to otherwise approve the minute as a correct record.

ABERDEEN CITY REGION DEAL - PROPOSED CHANGES TO STANDING ORDERS

6. The Joint Committee had before them a report by the Chief Officer – Governance, which presented recommendations to facilitate and enable full remote decision-making to include confidential and exempt information for the Aberdeen City Region Deal Joint Committee in light of the Covid-19 pandemic and UK and Scottish Government advice for people to restrict social contact.

The report recommended:-

that the Joint Committee –

- (a) agree in principle an amendment to the Joint Committee’s Standing Order 22 to enable the Chairperson and Vice Chairperson to cancel meetings as outlined at paragraph 3.4 of the report;
- (b) agree in principle an amendment to the Joint Committee’s Standing Order 32 and 33 to enable remote access for full meetings, including any confidential and exempt business as outlined in paragraph 3.5 of the report;
- (c) agree in principle to delegate authority to the Chief Officer – City Growth, Aberdeen City Council and the Head of Economic Development and Protective Services, Aberdeenshire Council, following consultation with the Chair and Vice Chair of the Joint Committee, to submit performance reports as required by the Scottish Government in exceptional circumstances where a meeting of the Joint Committee cannot be held. Any such action to be notified to members of the Joint Committee; and
- (d) agree that the situation be kept under review and that a report be submitted to the Joint Committee at the appropriate time.

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The Joint Committee resolved:-

to approve the recommendations.

SCOTTISH GOVERNMENT LETTER TO DEALS

7. The Joint Committee had before it a report by the Programme Manager which provided an update on the UK/Scottish Government communication in response to COVID-19.

The report recommended:-

That the Joint Committee –

- (a) note the content of the letter from Scottish Government (attached to the report);
- (b) instruct the Chair of Aberdeen City Region Deal Programme Board to continue discussions with UK/Scottish Government on the impact of COVID-19 to keep the Deal delivering and progressing in line with the Region's priorities;
- (c) instruct the Digital Programme Lead to report to the Joint Committee in September 2020 with a proposal to maximise the Digital Resource in response to the current pandemic; and
- (d) instruct the City Region Deal Programme Manager to report to the Joint Committee in December 2020 with a Benefits Realisation Plan that reflects the impact of COVID-19.

Jennifer Crow provided an update in relation to the Bio-Hub project advising of the challenges due to the pandemic, specifically (1) that there had been delays in construction due to the supply chain as a result of the workforce being furloughed; (2) that there were concerns regarding the direct impact this would have on the economic benefit of the project for the region; (3) that there was a and clear increased demand for the Bio-Hub to be progressed as soon as possible

The Joint Committee resolved:-

- (i) in relation to recommendation (d) above, that Benefits Realisation Plan report be submitted to the September 2020 meeting;
- (ii) that a special meeting for the Joint Committee be arranged in July 2020 to consider a report on the specific challenges, mitigations and additional support for each of the City Region Deal projects, including how each project could be progressed; and
- (iii) that an update report on the Memorandum of Understanding (Housing Element) be submitted following officers' discussions with the Scottish Government; and
- (iv) to otherwise approve the recommendations.

ABERDEEN CITY REGION DEAL QUARTERLY PROGRESS UPDATE

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8. The Joint Committee had before it a report by the Programme Manager which detailed the progress of the City Region Deal and its constituent workstreams.

The report recommended:-

that the Joint Committee note the content of the report, its appendix, and the progress made.

The Programme Manager (1) intimated that The Oil and Gas Technology Centre (OGTC) had announced this week that Martin Gilbert had been appointed as their new Chairperson, replacing Archie Kennedy; and (2) advised that she was in regular contact with the Harbour Board in relation to the construction delays and contract situation for the Aberdeen harbour expansion, working with them to identify new milestones for the development and completion of the project.

The Joint Committee resolved:-

- (i) to welcome the appointment of Martin Gilbert as Chair of the OGTC and acknowledge the leadership and contribution that Archie Kennedy had made during his three-year tenure;
- (ii) to acknowledge that there was a requirement to make arrangements for Equalities and Investment training for Members; and
- (iii) to otherwise approve the recommendation.

CITY REGION DEAL - FINANCIAL UPDATE Q4 2019/20

9. The Joint Committee had before it a report which provided an update on the finances of the Aberdeen City Region Deal for actual expenditure in financial year 2019/20 including details of the 2019/20 forecast.

The report recommended:-

that the Joint Committee note the content of the report and the details contained in the appendices.

The Joint Committee heard Alan Wood provide an overview of the financial situation.

The Joint Committee resolved:-

to approve the recommendation.

MEMORANDUM OF UNDERSTANDING - TRANSPORT

10. The Joint Committee had before them a report which provided an update on the progress of projects being taken forward through the additional Scottish Government investment announced alongside the Aberdeen City Region Deal,

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Including progress on the A90/A937 Laurencekirk Junction Improvement Scheme and the investment in the rail network to improve services between Aberdeen and the Central Belt.

The report recommended:-

that the Joint Committee note the update in the report.

Damian Briody and Amy Phillips, Transport Scotland were in attendance and highlighted key information in relation to the report.

Sir Ian Wood made reference to the additional £200M funding and sought information on the specific details of the projects including seeking assurance that the funding was currently in place. In response Mr Briody outlined the key projects and interventions to improve journey times and increase capacity on key rail links between Aberdeen and the Central Belt for passengers and freight. He emphasised that the projects would be delivered by 2026 or sooner and that the funding was committed under the terms of the Memorandum of Understanding.

Sir Ian Wood requested that a short summary of the key projects and their benefits be prepared and circulated to members. In response, Mr Briody intimated that Network Rail were currently preparing a report in this regard, and that it would be available by the end of June 2020, following which details could be shared with members of the Joint Committee.

In response to a question from Councillor Lumsden regarding journey times from Aberdeen to the Central Belt, Mr Briody advised that:-

- the average journey time would be 2 hours 10 minutes or less for inter-city services between Aberdeen and Edinburgh;
- the average journey time would be 2 hours 30 minutes or less for inter-city services between Aberdeen and Glasgow; and
- the average journey time would be 1 hour 10 minutes or less for inter-city services between Aberdeen and Dundee.

The Joint Committee resolved:-

- (i) to note that Mr Briody, Transport Scotland would submit a summary of the key projects and the economic benefits these would bring to the North East to the special meeting of the Joint Committee in July 2020; and
- (ii) to otherwise note the information provided and approve the recommendation in the report.

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11. The Joint Committee had before it a report which presented the draft Aberdeen City Region Deal Annual Report 2019-20 and sought approval for its wider publication.

The report recommended:-

that the Joint Committee endorses the Annual Report.

Members discussed the contents of the report and the following suggestions and additions were intimated:-

- acknowledged that the Annual Report was prepared using the UK/Scottish Government template to provide them with the necessary detail they required, however a shorter, user friendly version of the Annual Report should also be prepared for members of the general public; and
- that further details to emphasise the positive impact the City Region Deal was having on exclusive economic growth be added to the Annual Report.

The Joint Committee resolved:-

- (i) to note that the Annual Report had still to be formatted by the City Council's Design Team; and
- (ii) to approve the recommendation, subject to officer's undertaking the suggestions outlined above.

In accordance with the decision recorded under article 3 of this minute, the following item of business was considered in private with the press and public excluded.

CITY REGION DEAL - FINANCIAL UPDATE Q4 2019/20 - EXEMPT REPORT AND APPENDIX

12. With reference to article 9 of this minute, the Joint Committee had before it an exempt report which provided details on the finances of the Aberdeen City Region Deal for the Final Outturn of expenditure in financial year 2019/20.

The report recommended:-

that the Joint Committee note the content of the report and its appendix.

The Programme Manager responded to questions from members of the Joint Committee.

The Joint Committee resolved:-

- (i) to note that the Programme Manager would liaise with Project Leads to provide an update on the funding position for each project in light of the construction

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- delays due to COVID-19 and that details be submitted to the special meeting in July 2020; and
- (ii) to otherwise approve the recommendation.
- **COUNCILLOR JENNY LAING, Chairperson**