

## ABERDEEN CITY REGION DEAL:

Powering Tomorrow's World

To: Councillor Jenny Laing, Chairperson; Councillor Jim Gifford; Vice Chairperson; Councillors Marie Boulton and Douglas Lumsden; Councillors Peter Argyle and vacancy; Professor Stephen Logan, Mr Patrick Machray OBE and Sir Ian Wood.

Aberdeen City Council Substitute Members:- Councillors Gordon Graham, Alex Nicoll and Ian Yuill.

Aberdeenshire Council Substitute Members:- Councillors John Cox, Allison Evison and vacancy

ONE Substitute Members:- Jennifer Crow, Trevor Garlick and John Harper

***Please note that a substitute member may only participate in the meeting when a substantive member is absent.***

Town House,  
ABERDEEN 29 May 2020

### **ABERDEEN CITY REGION DEAL JOINT COMMITTEE**

The Members of the **ABERDEEN CITY REGION DEAL JOINT COMMITTEE** are requested to meet in **Virtual - Remote Meeting on FRIDAY, 5 JUNE 2020 at 9.30 am.**

FRASER BELL  
CHIEF OFFICER - GOVERNANCE

In accordance with UK and Scottish Government guidance, meetings of this Committee will be held remotely as required. In these circumstances the meetings will be recorded and thereafter published on the Council's website at the following [link](#)

#### **BUSINESS**

- 1 Appointment of Chairperson and Vice Chairperson
- 2 Changes to Membership of the Joint Committee (Pages 3 - 4)
- 3 Determination of Urgent Business (If any)
- 4 Determination of Exempt Business

- 5 Declarations of Interest  
Members are Required to Intimate any Declarations of Interest in Respect of the Items on Today's Agenda.
- 6 Minute of Previous Meeting of 7 February 2020, for Approval (Pages 5 - 8)
- 7 Aberdeen City Region Deal - Proposed Changes to Standing Orders (Pages 9 - 12)
- 8 Scottish Government Letter to Deals (Pages 13 - 16)
- 9 Aberdeen City Region Deal Quarterly Progress Update (Pages 17 - 28)
- 10 City Region Deal - Financial Update Q4 2019/20 (Pages 29 - 36)  
Please note that there is an appendix located within the Exempt/Confidential Business Section of this agenda.
- 11 Memorandum of Understanding - Transport (Pages 37 - 38)
- 12 Aberdeen City Region Deal Annual Report 2019/20 (Pages 39 - 82)

**EXEMPT / CONFIDENTIAL BUSINESS**

- 13 City Region Deal - Financial Update Q4 2019/20 - Exempt Report and Appendix  
(Pages 83 - 88)

[www.abzdeal.com](http://www.abzdeal.com)

Should you require any further information about this agenda, please contact Mark Masson, email [mmasson@aberdeencity.gov.uk](mailto:mmasson@aberdeencity.gov.uk), or telephone 01224 522989

# Agenda Item 2

Changes to Membership of the City Region Deal Joint Committee:-

## Aberdeen City Council

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

This page is intentionally left blank



## ABERDEEN CITY REGION DEAL:

Powering Tomorrow's World

### ABERDEEN CITY REGION DEAL JOINT COMMITTEE

7 FEBRUARY, 2020

**Present:** Councillors J Gifford, (Chair), J Cox (as substitute for Councillor P J Argyle), and R Thomson (Aberdeenshire Council);

Councillors M Boulton, J Laing, and D Lumsden (Aberdeen City Council); and

Mrs J Craw (as substitute for Professor S Logan), Mr P Machray, and Sir Ian Wood (ONE).

**Officers:** Mr J Savage, Chief Executive, Aberdeenshire Council; Ms B Millar, Head of Economic Development and Protective Services, Aberdeenshire Council; Mr R Sweetnam, Chief Officer, City Growth, Aberdeen City Council; Mr A Wood, Head of Finance, Aberdeenshire Council; Mrs A Overton, Senior Solicitor, Aberdeenshire Council; Ms J Richards Wood, Programme Manager, Aberdeen City Council; Ms W Robertson, Digital Programme Manager, Aberdeen City Council; Ms S Rochester, Service Manager, Customer Communications and Improvement, Aberdeenshire Council; Mr P Finch, Strategic Transport Manager, Aberdeenshire Council; Mr R Dickson, Director, NESTRANS; Ms A Ferguson, Project Officer, Aberdeen City Council; and Ms J McRobbie, Committee Officer, Aberdeenshire Council.

**In attendance:** Mr C Oswald, Policy Manager – Equality & Investment, Scottish Government (Via Skype).

#### 1. SEDERUNT AND DECLARATION OF MEMBERS' INTERESTS

There were no declarations of interest.

#### 2. RESOLUTIONS

(A) Public Sector Equality Duty

In making decisions on the following items of business, the Joint Committee **agreed**, in terms of Section 149 of The Equality Act, 2010;-

- (1) to have due regard to the need to:-
  - (a) eliminate discrimination, harassment, and victimisation;
  - (b) advance equality of opportunity between those who share a protected characteristic and persons who do not share it; and
  - (c) foster good relations between those who share a protected characteristic and persons who do not share it; and
- (2) where an Equality Impact Assessment was provided, to consider its content and take this into account when reaching a decision.

(B) Exempt Information

The Joint Committee **agreed**, in terms of Sections 50A (4) and (5) of The Local Government (Scotland) Act 1973 to exclude the public from the meeting during consideration of item 8 as tabled, so as to avoid disclosure of exempt information of the class described in paragraph 6 of Part 1 of Schedule 7A of the Act.

### **3. MINUTE OF MEETING OF CITY REGION DEAL JOINT COMMITTEE OF 8 NOVEMBER, 2019**

The Joint Committee had before them and **approved** as a correct record, the Minute of Meeting of the Joint Committee of 8 November, 2019.

#### **4. ABERDEEN CITY REGION DEAL QUARTERLY PROGRESS UPDATE**

There had been circulated a report by the Programme Manager, providing an update on the City Region Deal (CRD) and its constituent workstreams.

Having heard further from Officers, there was discussion of the most appropriate scheduling of the planned updates on the Harbour works and the Oil and Gas Technology Centre.

Mr Machray provided an oral update on the launch of the Food hub, which had been very well received, but expressed disappointment that the challenge funding application for manufacturing had been unsuccessful. There was discussion on the work which had been involved to develop the funding bid, and the ratio of successful applications, with 11 out of the 24 bids developed to Stage 2 unsuccessful.

Clarification was sought on the heading objectives of the rail improvement works, and the Strategic Transport Manager, Aberdeenshire Council, cited the Ministerial response of November, 2019 which used the 2 hour 30 minute journey, Aberdeen to Edinburgh, as a measure. There was discussion of requirement for fundamental investment to infrastructure which would be the basis for other improvements, and also of the undertaking, given at the previous meeting of the Joint Committee, that updates would be provided, including the agreed programme of work and indicative timescales.

The Joint Committee **agreed**:-

- (1) that further correspondence be held with the Scottish Minister and Transport Scotland regarding the promised availability of the approved rail improvement work programmes and timescales, to be sought in early course;
- (2) that further information be reported on feedback on the unsuccessful challenge fund bid in due course;
- (3) that officers, in consultation with the Chair and Vice-Chair, reconsider the scheduling of presentations on the Harbour Improvement works and the Oil and Gas Technology Centre; and
- (4) in all other respects, to note the updates provided.

#### **5. FINANCIAL UPDATE – QUARTER 3, 2019/2020**

With reference to the Minute of Meeting of 8 November, (Item 9), there had been circulated a report dated 7 January, 2020 by the Head of Finance, Aberdeenshire Council, updating the Joint Committee on the finances of the Aberdeen City Region Deal for (a) actual expenditure in financial year 2019/20 and (b) the 2019/20 forecast.

Having heard from the Head of Finance that, as confidential details had been omitted, the report could be presented in the public domain, and that the only change to the forecast was an alteration to the Harbour work timings, there was discussion of the ability to access funding timeously from the Scottish Government within the context of annual funding for long term, committed capital projects.

The Joint Committee **agreed** to note the updates provided.

## **6. AUDIT SCOTLAND: SCOTLAND'S CITY REGION DEALS AND GROWTH DEALS**

There had been circulated a report dated 7 February, 2020 by the Project Manager, advising on the publication, on 16 January, 2020, of an Audit Scotland report, "Scotland's City Region Deals and Growth Deals" which contained, inter alia, a scrutiny check list for members, designed to provide councillors with examples of questions which may assist understanding of their council's deal and scrutinise its performance.

Having heard from Officers the intention that the Audit Scotland report be considered by the Audit committees of Aberdeen City and Aberdeenshire Council in respect of the recommendations made for Councils, there was discussion of the scrutiny role for non-Council members of the Joint Committee.

The Joint Committee **agreed**:-

- (1) to note the key messages from the Audit Scotland report;
- (2) to note that the recommended actions would be considered by Aberdeenshire and Aberdeen City Council in due course;
- (3) that Audit Scotland be requested to give consideration, in terms of assurance of robust scrutiny, to the role of private sector input to City Region Deals and Growth Deals; and
- (4) to note the Scrutiny Toolkit for Councillors as detailed in Appendix A to the report.

## **7. EQUALITY AND INVESTMENT**

With reference to the Minute of Meeting of 8 November, 2019, (Item 3), there had been circulated a report dated 7 February, 2020 by the Project Manager, briefing the Joint Committee on Equalities and Investment in advance of the proposed training for Members.

The Chair, on behalf of the Joint Committee, welcomed Chris Oswald to the meeting by Skype.

The Joint Committee thereafter heard from Mr Oswald of his role to support the 12 Region Deals to best achieve equality actions, including those intended to close or minimise income gaps and address gender or age inequalities as well as other actions which might be to the detriment of protected characteristics. He spoke of opportunities within procurement which could have a positive impact and of monitoring the delivery of these within contracts, citing ongoing work with the City of Edinburgh Council and Edinburgh University to develop a tool kit which could then be shared nationally.

The Joint Committee **agreed**:-

- (1) to defer the scheduled training session for Joint Committee members until such time as Mr Oswald was able to attend in person; and
- (2) to note, in all other respects, the terms of the report.

## **8. FINANCE REPORT – FINANCIAL UPDATE Q3, 2019/2020**

With reference to the Minute of Meeting of 8 November, 2019, (Item 9), there had been circulated a report dated 7 February, 2020 by the Head of Finance, Aberdeenshire Council,

updating the Joint Committee on the finances of the Aberdeen City Region Deal for actual expenditure in financial year 2019/20 and updating the 2019/20 forecast.

The Joint Committee heard further from officers of the ongoing situation regarding the drawing down of funds, and of continued conversations with government officials to factor legally binding contracts, accurately expressed forecasts, and construction timetables for large capital projects within an annual approved funding allocation. This may apply to other Deals which were at an early stage of evolution.

The Joint Committee **agreed** :-

- (1) that the Chief Executives, after consultation with the Chair and Vice-Chair and ONE, write to Scottish Ministers to request their further consideration of the release mechanisms for funding, which may have unintended consequences for the physical delivery of City Region Deals; and
- (2) to note, in all other respects, the update provided.

Councillor Jim Gifford, Chair

## ABERDEEN CITY REGION DEAL: Powering Tomorrow's World

<b>Report Name</b>	Aberdeen City Region Deal – Proposed Changes to Standing Orders
<b>Lead Officer</b>	Fraser Bell, Chief Officer - Governance, ACC
<b>Report Author</b>	Mark Masson, Committee Officer, ACC
<b>Date of Report</b>	5 June 2020
<b>Governance</b>	City Region Deal Joint Committee

<b>1:</b>	<b>Purpose of the Report</b>
<p>To present recommendations to facilitate and enable full remote decision-making to include confidential and exempt information for the Aberdeen City Region Deal Joint Committee (the Joint Committee) in light of the Covid-19 pandemic and UK and Scottish Government advice for people to restrict social contact.</p>	

<b>2:</b>	<b>Recommendations for Action</b>
<p>It is recommended that the Joint Committee:</p> <p><b>2.1</b> Agrees 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 this report;</p> <p><b>2.2</b> Agrees 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 this report;</p> <p><b>2.3</b> Agrees 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</p> <p><b>2.4</b> Agrees that the situation be kept under review and that a report be submitted to the Joint Committee at the appropriate time.</p>	

<b>3:</b>	<b>Summary of Key Information</b>
<p><b>3.1</b> The recommendations set out above are designed to streamline the Joint Committee's decision-making structure to enable officers and Members to adhere to the UK and Scottish</p>	

### **3: Summary of Key Information**

Government's guidance and support the operational response to the Covid-19 pandemic whilst allow business of an urgent nature to be determined.

**3.2** Any amendments to the Joint Committee's Standing Orders shall require the approval of the Constituent Authorities and must be carried out in consultation with Opportunity North East (ONE).

**3.3** Any amendments to these Standing Orders shall be effective only after both Constituent Authorities have accepted the amendments after consultation with ONE.

#### **3.4 Proposed Amendment to Joint Committee's Standing Order 22**

**3.4.1** At present there is no provision in the Joint Committee's Standing Orders for a meeting to be cancelled, therefore the following amendment to Standing Order 22 is proposed:-

(22) The Chairperson (or the Vice Chairperson if the Chairperson is unavailable) shall be permitted on giving due notice to **cancel**, change the date, time or location of any agreed meeting.

#### **3.5 Proposed Amendment to the Joint Committee's Standing Orders 32 and 33**

**3.5.1** The Joint Committee's Standing Orders makes provision for Members to participate in meetings remotely, however it does not apply to items on the agenda which contain confidential or exempt business. The Standing Orders are also not explicit on the procedure for calling and holding a fully remote meeting. Therefore amendments to Standing Orders 32 and 33 are proposed below which would facilitate this:-

##### Existing Standing Orders 32 and 33

(32) A member who is unable to be present for a meeting of the Joint Committee at the venue identified in the notice calling the meeting shall be able to take part remotely in any location which allows their participation.

(33) Standing Order 32 will not apply in respect of items on the agenda which contain confidential or exempt information.

##### Proposed Amendments to Standing Orders 32 and 33

(32) Subject to the Member notifying the Clerk at least 4 hours (or, if this is not possible, as soon as practicable) in advance of the meeting and availability of suitable facilities, the Chairperson (whom failing, the Vice Chairperson) may direct that any Member who is unable to attend, or cannot reasonably be expected to attend, a meeting in person may participate from a remote location by video or other communication link. For the avoidance of any doubt, such participation includes voting. A Member remotely participating in this way is referred to in this Standing Order as a "Remote Member".

(32.1) In exceptional circumstances, the Chairperson (whom failing, the Vice Chairperson) may direct that a meeting shall be conducted solely by means of the participation of Remote Members. Such a direction may be made during a meeting or otherwise and may specify

**3: Summary of Key Information**

which mechanism of remote participation (including specifying which software) may be used.

(32.2) Remote Members will be counted for the purposes of determining whether there is a quorum and will also be able to participate in any vote.

(32.3) Where the Chairperson is participating remotely, the Vice Chairperson will take the Chair, except where the Vice Chairperson is also participating remotely or a direction has been made under Standing Order 32.1 in respect of that meeting.

(32.4) Except where a direction has been made under Standing Order 32.1 in respect of that meeting, the Member chairing the meeting must be physically present at the meeting venue, therefore where both the Chairperson and Vice Chairperson are participating remotely or have sent apologies, Members present at the meeting venue will appoint a Chairperson to chair the meeting from amongst their number.

(32.5) In the event that no agreement is reached between those Members present, the decision will be taken by means of a procedural motion

(33) Standing Order 32 will apply in respect of items on the agenda which contain confidential or exempt information. Any Remote Member must confirm that they are in a secure private location, and that no-one else is able to hear or view the proceedings from the device being used by that Remote Member, before they can participate in the Joint Committee's consideration of any confidential and/or exempt items of business.

(33.1) Any Remote Member who has declared an interest in an item and withdrawn must pause/exit the video/communication link whilst the item is being considered. The Clerk will inform/re-invite the Remote Member (whether by email or otherwise) when to re-start the link and resume their participation.

**3.6** Members of the press and public would not be invited to attend remote meetings, but to ensure that the decision-making process is open and transparent, the Clerk would record meetings and arrange for the recording to be published on the Council's website as soon as practicable.

**4: Finance and Risk**

**4.1** There are no financial implications relating to the recommendations of this report.

**4.2** The risks are that if the Standing Orders are not amended, the Joint Committee would not be able to cancel meetings in case of emergency and/or in exceptional circumstances and would not be able to consider reports which were exempt/confidential, therefore be unable to carry out all its functions in accordance with their Terms of Reference.

This page is intentionally left blank



## ABERDEEN CITY REGION DEAL: Powering Tomorrow's World

<b>Report Name</b>	Scottish Government letter to Deals
<b>Lead Officer</b>	Richard Sweetnam
<b>Report Author</b>	Julie Richards Wood
<b>Date of Report</b>	5 <sup>th</sup> June 2020
<b>Governance</b>	City Region Deal Joint Committee

<b>1:</b>	<b>Purpose of the Report</b>
i.	To update the Joint Committee on the UK/SG communication in response to COVID19, including the attached letter.

<b>2:</b>	<b>Recommendations for Action</b>
i.	It is recommended that the Joint Committee notes the content of the attached letter from Scottish Government.
ii.	That Joint Committee instructs the Chair of ACRD Programme Board to continue discussions with UK/SG on the impact of COVID19 to keep the Deal delivering and progressing in line with the Region's priorities.
iii.	To instruct Digital Programme Lead to report to Joint Committee in September with a proposal to maximise the Digital Resource in response to the current pandemic.
iv.	To instruct the CRD Programme Manager to report to Joint Committee in December with a Benefits Realisation Plan that reflects the impact of COVID 19.

<b>3:</b>	<b>Summary of Key Information</b>
Key points from the attached UK/SG letter:	
i.	COVID-19 has created unprecedented pressures and is rapidly changing priorities.
ii.	UK/SG governments remain fully committed to the city region and growth deals programme across Scotland,
iii.	UK/SG will continue to work in partnership with Aberdeen to respond effectively and decisively as we move into the recovery phase.
iv.	Both governments are keen to understand what action is required to keep the Aberdeen deal moving forward and support the economy of Aberdeen and Aberdeenshire.

<b>3:</b>	<b>Summary of Key Information</b>
	<ul style="list-style-type: none"> <li>v. The Scottish City Region Deal Delivery Board met on the 28<sup>th</sup> May to discuss the feedback they had received to date from all Deals</li> </ul> <p>Communication with Scottish Government</p> <ul style="list-style-type: none"> <li>i. The Chair of the City Region Deal Programme Board has attended two meetings hosted by SG Deputy Director for Regional Economic Development.</li> <li>ii. The SG have confirmed that rollover of funding will be possible, and a letter of confirmation will be sent to the Chair of ACRD Programme Board.</li> </ul> <p>At Programme Board on 20/05/20, the Board considered the following areas as priority:</p> <ul style="list-style-type: none"> <li>i. An update report on the Digital Programme, to reflect the need for high speed digital connectivity and inclusion.</li> <li>ii. A further discussion with Scottish Government on the Housing MOU funding, considering COVID19 and the need to align to regional needs.</li> <li>iii. Flexibility on reporting, especially in relation to profiling milestones and draw down of funding, due to 'unknowns'.</li> <li>iv. To review the impact on the outlined Benefits in the Deal document of 2016, as they relate to GVA and jobs, now impacted substantially due to COVID19</li> <li>v. For projects to Identify and report any additional costs to projects due to slippage.</li> </ul>

<b>4:</b>	<b>Finance and Risk</b>
	<ul style="list-style-type: none"> <li>i. No direct financial or risk implications.</li> </ul>



29 April 2020

Dear Julie,

We hope that you are safe and well at this exceptionally challenging time.

COVID-19 has created unprecedented pressures and is rapidly changing priorities for all of us. We want to reassure you that both governments remain fully committed to the city region and growth deals programme across Scotland, and to working in partnership with you to respond effectively and decisively as we move into the recovery phase.

We recognise that the immediate circumstances you face are exceptional, and that your current plans may need to change. Both governments are keen to understand what action is required to keep your deal moving forward and support the economy of Aberdeen and Aberdeenshire. We recognise that this may require a more flexible application of our usual practice and that you may need to consider how you manage change within your deal, which we are keen to explore with you.

We would welcome a discussion at an early but appropriate juncture for you, to identify what actions we can take together to ensure deal funding delivers maximum economic impact, both in the immediate future and as we move into the recovery phase of this crisis.

The Scottish City Region Deal Delivery Board is meeting on 29 April and 28 May. Best understanding your situation and ambitions in relation to your deal will helpfully inform discussion at the Board.

We look forward to hearing from you. Please contact Rachel Phillips on 07810 832 195 in the first instance, who can liaise with the appropriate officials.

Kind regards,

Jon Pickstone  
**Deputy Director**  
Scottish Government

Rebecca Hackett  
**Deputy Director**  
Scotland Office (UKG)

Steven Greenwood  
**Deputy Director**  
Cities & Local Growth Unit (UKG)

This page is intentionally left blank

## ABERDEEN CITY REGION DEAL: Powering Tomorrow's World

<b>Report Name</b>	Aberdeen City Region Deal Quarterly Progress Update
<b>Lead Officer</b>	Richard Sweetnam, Chief Officer, ACC
<b>Report Author</b>	Julie Richards-Wood, CRD Programme Manager ACC
<b>Date of Report</b>	5 <sup>th</sup> June 2020
<b>Governance</b>	City Region Deal Joint Committee

<b>1:</b>	<b>Purpose of the Report</b>
<p>To update the Joint Committee on the progress of the City Region Deal and its constituent workstreams, through the body of the report and Appendix 1 – Quarterly Progress Report.</p>	

<b>2:</b>	<b>Recommendations for Action</b>
<p>It is recommended that the Joint Committee:</p> <ul style="list-style-type: none"> <li>i. Notes the content of the report, its appendix, and the progress made.</li> </ul>	

<b>3:</b>	<b>Summary of Key Information</b>
<p><b>Programme Dashboard</b></p> <p><b>3.1 Programme Update</b></p> <ul style="list-style-type: none"> <li>• The ACRD PMO continues to work with UK&amp;SG on COVID19 recovery in relation to the Deal</li> <li>• The Annual Grant Offer letter was received, outlining £51,320,000 for projects this financial year.</li> <li>• The SG Equalities &amp; Investment project has developed a series of guides to support public spending decisions. Two new guides have been published on Scotland's Centre for Regional Inclusive Economic Growth website. The guides have been shared with project leads and Chris Oswald will cover these guides at his training session to ACRD Joint Committee.</li> </ul> <p><b>3.2 Workstream updates</b></p> <ul style="list-style-type: none"> <li>• The OGTC has continued to deliver during COVID 19 and has supported companies in supplying equipment needed for the pandemic. A short delay in the opening of</li> </ul>	

<b>3:</b>	Summary of Key Information
	<p>the National Centre is anticipated. The OGTC Checkpoint Review was deferred and will be rescheduled in the coming months</p> <ul style="list-style-type: none"> <li>• The Bio-Hub was unable start to Construction in April 2020. Due to the added complexity of being on an NHS site during a pandemic, we expect that there may be a substantial delay and this will impact on profiled funding allocated for 20/21.</li> <li>• Planning progresses with “seedpod” and there are no reported delays at this stage.</li> <li>• Both Infrastructure projects are now in delivery across Aberdeen City and Aberdeenshire. Construction was stopped initially but has resumed with social distancing measures in place.</li> <li>• The Strategic Transport and External Links to Aberdeen South Harbour, remain on schedule, although some delay, due to Consultation requirements, has been noted.</li> </ul>

<b>4:</b>	Finance and Risk
	<p>i. Risks that are to be escalated to Joint Committee would be included in Appendix 1.</p>

Quarterly Progress Report  
Appendix 1: 5<sup>th</sup> June 2020

## The Oil & Gas Technology Centre

Time	G	Budget	G	Resource	G
------	---	--------	---	----------	---

Established in October 2016, the OGTC is already delivering significant results as it drives forward the organisation's key goals; to help maximise economic recovery from the UK continental shelf, anchor the supply chain in the North-East of Scotland, and create a culture of innovation in the region. These are driven through Solution Centres, National Centres, Tech X accelerator and the Innovation Hub.

Major Milestones: Business Case Approved 2016; Opened February 2017; 18-Month Checkpoint Review March 2018, Submission of stretched targets to UK/Scottish Government agreed December 2018.

Previous Milestone: October 2019, 6 Solution Centre funded technologies reach commercialisation phase. Update: Currently at 20.

Next Milestone: The OGTC Checkpoint Review Scheduled for April 2020 has been postponed due to COVID-19.

A link to case studies on completed and live projects can be viewed at <https://www.theogtc.com/projects/>.

### Progress Update:

- ✓ Considerable levels of engagement across the industry to drive participation in both the Solution Centre Memberships and Directed Projects.
- ✓ Over 138 members of the Solution Centres currently in place, with further expected to join in the coming months.
- ✓ 237 approved Projects in progress, with a total investment of £149m with OGTC share of £56.2m.
- ✓ Over 50 offshore trials planned, with a number already completed – potential slippage of field trials due to COVID19 impact and oil price crash.
- ✓ The research themes for both National Centres is being developed in collaboration with the Universities and Industry.
- ✓ Innovation Hub continues to have a busy program with consistently positive feedback being received – several events have now been moved to virtual hosting.
- ✓ Building sourced for the National Subsea Centre – launch planned for late Q3 / Q4 2020 depending on length of COVID19 lockdown
- ✓ Working closely with industry and government on the Integrated Energy Vision
- ✓ Cohort 3 for TechX selected – programme due to start in August along with planning for delivery of a virtual cohort (depending on COVID19 impact) (slipped from June due to COVID-19)
- ✓ Transfer of OGIC activities completed - funding agreement agreed with SFC, SE and Scot Govt for just under £3 over the next 3 years

COVID-19 Update: Staff continue to support both Solution Centre Memberships and Directed projects working from home offices. Webinars/Virtual on-line are used for meetings and communications. COVID-19 Impacts along with oil price and impact on industry are being considered.

Green = active and on-track	G	Amber = active but some concerns and needs to be monitored closely	A	Red = Active but major concerns and needs corrective action	R
-----------------------------	---	--	---	---	---

# ABERDEEN CITY REGION DEAL:

Powering Tomorrow's World

Quarterly Progress Report

Appendix 1: 5<sup>th</sup> June 2020

## Food Hub for Innovation (SeedPod)

Time	G	Budget	G	Resource	G
------	---	--------	---	----------	---

The Food Hub is a £21million investment project over ten years to accelerate growth and innovation of existing businesses and start-ups. It will build on the strengths of the food and drink industry in the North-East of Scotland through a consumer-focused, customer-driven approach to innovation across all sectors of the industry. Construction is projected to start 2020/21 with Seedpod opening to its first tenants in 2022.

Major Milestones: JC Approved Business Case August 2018; UK/Scottish Government approved Business Case 17th January 2019; £10M Capital funding from UK/SG approved and £4.4M funding from Opportunity North East (ONE) approved; A newco Food Hub (NES) Ltd set up to manage the construction project and ongoing operation of the Food Hub; Seedpod launched January 2020; Checkpoint Review February 2020.

Previous Milestone: Design and Planning of Hub for Innovation –July 2020

Next Milestone: Planning Permission Sept 2020

### Progress Update:

- Successful SeedPod launch event in January 2020.
- Initial designs produced within project budget
- Masterplan for wider site underway by landlord
- Contractual terms agreed with project team (Architect Led Design Team, Cost Consultant, Principal Designer)
- Initial discussions held with Aberdeen City Council Planning Department

COVID- 19 Update: Design and Planning work continues as planned with the design team working with planners remotely using online meetings. Profiled spend for this financial year has not significantly changed.

Appendix 1 RAG Key:

Green = active and on-track	G	Amber = active but some concerns and needs to be monitored closely	A	Red = Active but major concerns and needs corrective action	R
-----------------------------	---	--	---	---	---



## Quarterly Progress Report Appendix 1: 5<sup>th</sup> June 2020

### Bio-Therapeutic Hub for Innovation

Time	R	Budget	A	Resource	G
------	---	--------	---	----------	---

The Bio-therapeutics Hub for Innovation (Bio Hub) is a ten year £40million investment project to accelerate growth and build on the strengths of the Life Sciences cluster in the North East of Scotland, which includes the company base, University of Aberdeen, Robert Gordon University and NHS Grampian. Construction is projected to start in 2020 with the Bio-Hub opening to its first tenants in 2021. Opportunity North East (ONE) supports companies across the Life Sciences sector.

Major Milestones: Business Case Approval by JC June 2017 and Funding Partners October 2017 for £20M capital funding); £3.6m ONE funding approved and Life Sciences Support Programme Launched October 2017; Formal launch January 2018; Checkpoint Review January 2020; Planning application approved March 2020.

Previous Milestone: Planning application approved March 2020

Next Milestone: Complete Tendering and Contracting of Build (Stage 2 - March 2020 DELAYED)

Progress Update: Follow up support continues to be delivered to companies participating in the Pilot Life Sciences Business Support programme through ONE and Partners.

COVID-19 Update: There is a significant change to the expected BioHub drawdown this year, with the figure reducing from £9.1m to £2.6m. The current Coronavirus situation not only means that construction cannot get underway, but also that there is significant uncertainty throughout the supply chain in terms of costs, timelines and availability of materials and resources. The implications of engaging with and working on an NHS site during the current pandemic also impacts on delivery. Considering this, the site start date (previously forecast for April 2020) has been delayed by an estimated 5 months. This effectively takes 5 months of construction costs out of the 2020/21 drawdown forecast and into next years. The uncertainty due to the current situation means that the revised timeline and budget may need to be updated in the following months and has therefore the status has moved from Green to Red (Time) and Amber (Budget).

Green = active and on-track	G	Amber = active but some concerns and needs to be monitored closely	A	Red = Active but major concerns and needs corrective action	R
-----------------------------	---	--	---	---	---

## City Network Extension - Digital

Time	A	Budget	G	Resource	G
------	---	--------	---	----------	---

The City Network Extension project will extend Aberdeen City Council's fibre network to 57 additional sites across the City. It has successfully stimulated private investment of £40million by CityFibre and Vodafone to extend and deploy fibre, providing most of the City with access to 'fibre to the premises' and creating Scotland's first 'Gigabit City'. The project is due to complete December 2020.

### Major Milestones:

CRD JC approved the connection of 57 public sector sites November 2017. CityFibre with Vodafone announced a £40million investment for Fibre to The Premises Build; Work commenced Summer 2018.

### Previous Milestone:

20 sites completed by February 2020 (Update: 25 sites connected)

### Next Milestone:

40 sites July 2020

### Progress Update:

30 sites have now been connected. Private Sector investment has covered the areas of: Kincorth, Torry, Northfield, Middlefield, Garthdee, Ferryhill, Hilton, Ashgrove, Cornhill, Hilton, Seaton and Bridge of Don.

### Covid 19 Update:

Due to the coronavirus outbreak GCU stopped works in March-May, which will have a knock-on impact on milestones and delivery dates. Work commenced mid- May, working closely with Aberdeen City Council's Roads Department to ensure social distancing measures are in place.

The full impact on the timeline is currently unknown and has therefore changed from Green to Amber.

Green = active and on-track	G	Amber = active but some concerns and needs to be monitored closely	A	Red = Active but major concerns and needs corrective action	R
-----------------------------	---	--	---	---	---

Quarterly Progress Report  
Appendix 1: 5<sup>th</sup> June 2020

## Full Fibre Infrastructure – Digital

Time	A	Budget	G	Resource	G
------	---	--------	---	----------	---

Building on what has been achieved in the City Network Extension project, an aggregated public sector demand approach is being taken to extend fibre further into the City Region. This will be primarily achieved by connecting Aberdeenshire Council sites (with NHS and City sites being a beneficiary) to dark fibre. This will enable public services to be delivered to the community that will result in improved delivery of education, health, transport and other services.

The project will also result in an increased footprint of fibre across the City Deal Region which may act as a catalyst for further investment by commercial parties to build off this network to provide fibre to our homes and businesses.

Suppliers were invited to tender for new 'Gigabit Connectivity' procurement framework. Responses have been evaluated and successful bidders are now appointed as Framework Suppliers. This project is due to complete 2022.

### Key Milestones:

In February 2018 the CRD JC approved a revised (January 2017) Digital Infrastructure Project. This Business Case was approved by UK/Scottish Government January 2019.

Previous Milestone: Signing of the contract April 2020

Next Milestone: Network Build Starts June 2020

Progress Update: Contract signed this quarter.

### Covid 19 Impact:

A revised timeline is being worked on. There is less build required than with other fibre projects as existing ducting and infrastructure will be used where possible. Access to sites may be an issue over the coming months.

The full impact on the timeline is currently unknown and has therefore changed from Green to Amber.

Green = active and on-track	G	Amber = active but some concerns and needs to be monitored closely	A	Red = Active but major concerns and needs corrective action	R
-----------------------------	---	--	---	---	---

Quarterly Progress Report  
Appendix 1: 5<sup>th</sup> June 2020

## Duct Network Extension – Digital

Time	G	Budget	G	Resource	G
------	---	--------	---	----------	---

Aberdeen City Council already operates a duct network in the City, and this will be expanded to cover key economic areas. Initially this duct network will be used by the Council, followed by engagement with commercial organisations to encourage them to utilise the expanded network to enhance their fibre offering in Aberdeen City, consequently stimulating the market. This project will also provide the enabling infrastructure for the proposed sensor network and provide the opportunity for Aberdeen City to be used as a testbed for autonomous vehicles as well as supporting 5G installations. The Duct network is due to be completed in 2023.

Major Milestones: In January 2017 the CRD JC approved the current Duct Network Extension Business Case. UK and Scottish Government approved the Business Case January 2019.

Previous Milestone: Begin Procurement Contract One March 2020

Next Milestone: Procurement Award June 2020 (extended to July 2020)

Progress Update: Officers undertook the design work for the ducting for the west route (A944) and included the additional connection for the hospital-this was undertaken in late 2019/ early 2020. Following this the procurement preparation work has been undertaken and is now out for tender. Officers are now working on the design work for phase 2.

COVID-19 Impact The tender deadline was extended by 2 weeks. This will not have a significant impact on timescales and delivery of the project.

## Regional Data Exchange- Digital

Time	A	Budget	G	Resource	G
------	---	--------	---	----------	---

A Regional Data Exchange is a repository to collect, store, standardise and publish data. The exchange function facilitates transaction of data sets between stakeholders allowing scrutiny, analysis and the application of the data to generate insights, develop better predictive tools and create service and product opportunities.

Major Milestones: CRD JC Approved Outline Business Case 9 February 2018; The Strategic Commissioning Committee approved procurement 20th November 2018.

Previous Milestone: Check point Review January 2020

Next Milestone: Business Case to Joint Committee -November 2020 (Revised date through Change Request)

Progress Update: The Digital Programme Lead, and Digital Project Sponsor are in discussion with IBI on progress to date.

COVID- 19 Impact: A report on the Digital Programme, to reflect the need for high speed digital connectivity and inclusion will be prepared by the Digital lead and submitted to Joint Committee.

Green = active and on-track	G	Amber = active but some concerns and needs to be monitored closely	A	Red = Active but major concerns and needs corrective action	R
-----------------------------	---	--	---	---	---

Quarterly Progress Report  
Appendix 1: 5<sup>th</sup> June 2020

**Sensor Network – Digital**

Time	A	Budget	G	Resource	G
------	---	--------	---	----------	---

Aberdeen City currently has a network of over 1,000 sensors which are used to manage traffic flow and monitor the environment. The

Sensor Network project will expand this existing network to enable better transport management (both private and public sector); facilitate smart travel and autonomous vehicles; enable anonymised data to be made available for delivering commercial and public services more efficiently.

Major Milestones: CRD JC approved Outline Business Case 9 February 2018; Strategic Commissioning Committee approved procurement 20th November 2018.

Previous Milestone: Check point Review January 2020

Next Milestone: Business Case to Joint Committee November - 2020 (Revised date through Change Request)

Progress Update: The Digital Programme Lead, and Digital Project Sponsor are in discussion with IBI on progress to date.

COVID- 19 Impact: A report on the Digital Programme, to reflect the need for high speed digital connectivity and inclusion will be prepared by the Digital lead and submitted to Joint Committee.

Green = active and on-track	G	Amber = active but some concerns and needs to be monitored closely	A	Red = Active but major concerns and needs corrective action	R
-----------------------------	---	--	---	---	---

## Quarterly Progress Report Appendix 1: 5<sup>th</sup> June 2020

### Aberdeen Harbour Expansion

Time	A	Budget	G	Resource	G
------	---	--------	---	----------	---

The Aberdeen Harbour Extension will include a new South Harbour 7,300m in length. It will be able to accommodate vessels of up to 300metres and more. The new facilities will create new opportunities for energy transition activities, including renewables and decommissioning, and tourism opportunities around the North Sea.

Key Milestones: Business Case approved 24th August 2017

Previous Milestone: First of the 22x 6,000 Tonne caisson unit arrives

Next Milestone: Completion of North Breakwater Autumn 2020 now scheduled for 2021

#### Progress Update:

Nusrat Ghani MP UK Government Maritime Minister, the Rt. Hon. Oliver Dowden, Minister for the Cabinet Office, and more than 40 members of the North Sea Commission, visited the South Harbour Visitor Centre between January and March 2020. Dragados UK, are the principal contractor for the Aberdeen Harbour Expansion Project and progress can be followed at <http://www.ahep.co.uk/ConstructionProgramme.aspx>

#### COVID-19 Impact:

In line with Government recommendations all construction work has stopped. The Harbour Board are continuing to work with partners to start works as soon as this is viable and safe to do. The status therefore remains at Amber until further information is available.

Green = active and on-track	G	Amber = active but some concerns and needs to be monitored closely	A	Red = Active but major concerns and needs corrective action	R
-----------------------------	---	--	---	---	---

## Quarterly Progress Report Appendix 1: 5<sup>th</sup> June 2020

### Transportation Links to Aberdeen South Harbour

Time	A	Budget	G	Resource	G
------	---	--------	---	----------	---

The Transport Links to Aberdeen South Harbour will develop the initial options to determine the most appropriate external road improvements in relation to external transportation links to the Aberdeen South Harbour. This will follow Transport Scotland's established guidance, *Scottish Transport Appraisal Guidance* (STAG). The final report is due to Committee in September 2020.

Key Milestones: CRD JC approved STAG Part 1 final report November 2018, at ACC's City Growth & Resources Committee on 27th November 2018; UK/Scottish Government approval of further funding for Part 2 appraisal 13th December 2018

Previous Milestone: Development of Demand Scenarios – March 2020

Next Milestone: Model development and option testing – June 2020

Progress Update: Engineering Feasibility and costing, Model Development and Phase 2 Engagement have taken place

COVID-19 Impact: Work continues as planned. Consultation is planned for Summer 2020 and this could be delayed if restrictions are still in place. Work will continue with the development of Demand Scenarios, Option Testing of the Model and STAG Part 2 Appraisal. The timeline has been moved from Green to Amber as there is a risk that the final report will not meet the key milestone date September 2020 if Consultation is delayed. Further update will be provided once this is known.

## Quarterly Progress Report Appendix 1: 5<sup>th</sup> June 2020

### Strategic Transport Appraisal

Time	G	Budget	G	Resource	G
------	---	--------	---	----------	---

The Strategic Transport Appraisal will take a 20-year strategic view of the transport implications of the investment unlocked by the Deal across all modes of transport including road and rail.

The appraisal will ultimately support decision-making regarding the prioritisation of future transport investment in the region, informing both regional investment plans for transport and infrastructure and national strategies and programmes of work.

As previously reported the delayed opening of the AWPR has caused delays of programming the model upgrade and detailed appraisal. This is not expected to affect the Completion date of STAG 2 - April 2021.

Key Milestones: Business Case Approval: CRD JC November 2017, Aberdeenshire Committee November 2017 and UK/Scottish Government 2017; City Growth and Resources June 2018

Previous Milestone: Checkpoint Review November 2019

Next Milestone: Strategic Transport Appraisal- Complete STAG 1 Appraisal of Options June 2020

Progress Update: ASAM: Work has progressed on updating traffic signal information, inputting national planning data and trips, processing and cleansing of traffic and other data, and use of mobile phone data for trip patterns.

Strategic Transport Appraisal: draft appraisal completed, and the outcomes have been fed through to draft Regional Transport Strategy. Due to impact of COVID-19 the stakeholder and elected Member consultation was cancelled.

COVID-19 Impact: Programming issues, and issues co-ordinating with other elements of work (specifically Transport Scotland's Strategic Transport Projects Review), due to current uncertainty are expected.

There is also a risk that the some of the previously identified problems, opportunities and priorities may require to be re-visited, or re-profiled, during the recovery phase of Covid 19, due to impacts on wider economy and capital/revenue availability.

These impacts cannot be wholly mitigated by the project, but at the earliest possible time, a revised programme will be developed. The project lead will keep in close contact with key stakeholders

In Quarter two progress will be made with:

#### ASAM

- Base model trip and demand matrix development.
- Interface with national modelling information.

#### Strategic Transport Appraisal:

- Review and finalisation of draft appraisal and responding to stakeholder consultation comments.
- Preparation of document for consultation alongside RTS.
- Support for Strategic Environmental Appraisal.



## ABERDEEN CITY REGION DEAL: Powering Tomorrow's World

<b>Report Name</b>	City Region Deal – Financial Update Q4 2019/20 (Public)
<b>Lead Officer</b>	Alan Wood
<b>Report Author</b>	Julie Richards-Wood, John Lovie
<b>Date of Report</b>	5 JUNE 2020
<b>Governance</b>	City Region Deal Joint Committee

<b>1:</b>	<b>Purpose of the Report</b>
1.1	To update the Joint Committee on the finances of the Aberdeen City Region Deal for actual expenditure in financial year 2019/20 and updating the 2019/20 forecast. Confidential details have been omitted to allow the report to be presented in the public domain.

<b>2:</b>	<b>Recommendations for Action</b>
2.1	It is recommended that the Joint Committee notes the content of the report and its appendix 1 & 2.

<b>3:</b>	<b>Summary of Key Information</b>
3.1	The funding mechanisms of the Aberdeen City Region Deal are centrally managed and monitored by the City Region Deal Programme Manager with support from Aberdeenshire Council Finance Service, and with oversight provided by the Programme Board as part of its normal activities. The membership of the Joint Committee includes a Section 95 Officer to provide financial assurance of the programme finances, ensure the financial requirements of both the UK and Scottish Governments are met, and ensure alignment with the financial strategy and procedures of both Councils (through liaison with the Section 95 Officer of the Council not represented directly).

<b>3:</b>	<b>Summary of Key Information</b>
3.2	Table 1 of Appendix 1 shows the 2019/20 expenditure forecast of £132,080,000 updated for the movements reported in the previous Q3 report.
3.3	Actual expenditure for 2019/20 is shown in Table 2 totalling £149,526,000 (113% of the updated forecast) .
3.4	Table 3 shows the variance in the financial year when compared to the revised forecast, a net increase of £17,446,028 due to higher than forecast Regional Partner contributions.
3.5	OGTC project continues to progress well with spend in 2019/20 (covering both cash and matched funding) amounting to £60,337,000 (82% of the updated 2019/20 budget).
3.6	Expenditure amounting to £691,000 (135% of revised forecast) has been accounted for in 2019/20 for Bio-Therapeutic Hub.
3.7	Expenditure amounting to £580,000 (358% of revised forecast) has been accounted for in 2019/20 for the Food Hub for Innovation project.
3.8	Digital Theme expenditure for 2019/20 amounts to £12,561,000 (130% of revised forecast). The Full Fibre call-off contract under the newly created 'Gigabit Connectivity' procurement framework was signed on 31 March 2020 and included revised clauses for Covid-19.
3.9	Strategic Transport Appraisal spend amounted to £381,000 in 2019/20 (93% of the revised forecast).
3.10	Harbour Expansion expenditure amounts to £73,334,000 (108% of the revised forecast).
3.11	£148,000 has been incurred in 2019/20 (102% of revised forecast) in respect of the Transportation Links to Aberdeen South Harbour..
<b>4:</b>	<b>Expenditure to Date</b>
4.1	Appendix 2 shows the total expenditure, to date, from the start of the Deal until 31 March 2020 by UK and Scottish Governments and Regional Partners. Partners include Aberdeenshire Council, Aberdeen City Council, Private Sector, Universities, Scottish Enterprise, Scottish Government Decommissioning Fund. £388,370,000 has been spent to date which represents 47% of the total Deal budget of £826,200,000.
<b>5:</b>	<b>Finance and Risk</b>

<b>3:</b>	Summary of Key Information
-----------	----------------------------

5.1	Finance information constitutes the body of the report. There are no additional risks to Aberdeen City Council or Aberdeenshire Council related to this report.
-----	---

This page is intentionally left blank

<b>Table 1 - Aberdeen City Region Deal – Revised Forecast 2019/20 following reporting of Q3 (Apr 19 - Dec 19) Movements</b>			
<b>(£'s)</b>	<b>UKG/SG</b>	<b>*Regional Partners</b>	<b>Total</b>
Oil & Gas Technology Centre	23,200,000	29,056,000	<b>52,256,000</b>
Bio-Therapeutic Hub for Innovation	750,000	127,000	<b>877,000</b>
Food Hub for Innovation	157,000	5,000	<b>162,000</b>
Digital Theme	242,000	9,374,000	<b>9,616,000</b>
Strategic Transport Appraisal	301,000	110,000	<b>411,000</b>
Transportation Links to Aberdeen South Harbour	145,000	0	<b>145,000</b>
Aberdeen Harbour Expansion	0	68,613,000	<b>68,613,000</b>
<b>Total</b>	<b>24,795,000</b>	<b>107,285,000</b>	<b>132,080,000</b>

<b>Table 2 - Aberdeen City Region Deal – 2019/20 Actual Expenditure as at Q4 (Apr 19-Mar 20)</b>			
<b>(£'s)</b>	<b>UKG/SG</b>	<b>*Regional Partners</b>	<b>Total</b>
Oil & Gas Technology Centre	25,200,000	35,137,000	<b>60,337,000</b>
Bio-Therapeutic Hub for Innovation	723,192	461,075	<b>1,184,267</b>
Food Hub for Innovation	111,254	469,271	<b>580,525</b>
Digital Theme	256,819	12,304,567	<b>12,561,386</b>
Strategic Transport Appraisal	380,985	0	<b>380,985</b>
Transportation Links to Aberdeen South Harbour	147,866	0	<b>147,866</b>
Aberdeen Harbour Expansion	0	74,334,000	<b>74,334,000</b>
<b>Total</b>	<b>26,820,115</b>	<b>122,705,913</b>	<b>149,526,028</b>

<b>Table3 - Aberdeen City Region Deal – Q4 Variances</b>			
<b>(£'s)</b>	<b>UKG/SG</b>	<b>*Regional Partners</b>	<b>Total</b>
Oil & Gas Technology Centre	2,000,000	6,081,000	<b>8,081,000</b>
Bio-Therapeutic Hub for Innovation	(26,808)	334,075	<b>307,267</b>
Food Hub for Innovation	(45,746)	464,271	<b>418,525</b>
Digital Theme	14,819	2,930,567	<b>2,945,386</b>
Strategic Transport Appraisal	79,985	(110,000)	<b>(30,015)</b>
Transportation Links to Aberdeen South Harbour	2,866	0	<b>2,866</b>
Aberdeen Harbour Expansion	0	5,721,000	<b>5,721,000</b>
<b>Total</b>	<b>2,025,115</b>	<b>15,420,913</b>	<b>17,446,028</b>

\* Regional Partners: Includes Private Sector, Councils, Universities, Scottish Enterprise, & Scottish Government Decommissioning Fund.

This page is intentionally left blank

## Total Budget v's Total Spend to Date - as at 31.3.20

Aberdeen City Region Deal Total Spend at 31st March 2020 (2016-2020)					Summary		
(£'000s)	UK/SG		Regional Partners*		Total Budget	Total Spend	%
	(Budget)	Spend	(Budget)	Spend			
Oil & Gas Technology Centre	180,000	59,100	174,100	73,411	354,100	132,511	34.1%
Bio-Therapeutic Hub for Innovation	20,000	1,041	18,000	1,245	38,000	2,286	0.6%
Food Hub for Innovation	10,000	111	10,100	556	20,100	667	3.3%
Digital Theme	10,000	299	22,000	21,147	32,000	21,446	67.0%
Strategic Transport Appraisal	5,000	753	2,000	180	7,000	933	13.3%
Transport Links to the New South Harbour	25,000	304	-	-	25,000	304	1.2%
Aberdeen Harbour Expansion	-	-	350,000	230,223	350,000	230,223	65.8%
<b>Total</b>	<b>250,000</b>	<b>61,608</b>	<b>576,200</b>	<b>326,762</b>	<b>826,200</b>	<b>388,370</b>	<b>47.0%</b>

\* Regional Partners: Includes Private Sector, Councils, Universities, Scottish Enterprise, SG Decommissioning Fund.

Deal covers ten financial years - 2016/17 to 2025/26.

This page is intentionally left blank



## Rail Directorate

Buchanan House, 58 Port Dundas Road, Glasgow G4 0HF  
Direct Line: 0141 272 7475 Mobile: 07837 062945  
Damian.Briody@transport.scot.gov



Paul Finch  
Strategy Manager  
Nestrans  
By e-mail [pfinch@nestrans.org.uk](mailto:pfinch@nestrans.org.uk)

28 May 2020

Dear Paul

### **ABERDEEN TO CENTRAL BELT RAIL ENHANCEMENTS**

Thank you for your letter of 12 March 2020 to Bill Reeve, who has passed this to me for response. We are writing to you in your new role as we understand that you retain responsibility as lead for the transport aspects of the Aberdeen City Region Deal.

Apologies for the delay in responding. Transport Scotland resources have been pivoted to respond to Covid-19 and the challenges that it presents. That has resulted in a significant reprioritisation, with a range of policy and project delivery activities paused to be consistent with current guidance and to release resources for Covid-19.

Whilst we do everything we can to support the transport sector - for example our financial support packages for bus and for rail enabling critical services to run - there are inevitably commitments that have had to be put onto the back-burner at this time.

Despite this, the second meeting of the Aberdeen to Central Belt Key Stakeholders took place on 16 April, albeit by tele-conference. Having attended this meeting and the previous meeting in January 2020, you will of course be aware that Network Rail set out the four concept timetables it has developed, each of which could deliver the service specification endorsed by the Aberdeen to Central Belt Reference Group at its final meeting on 12 September 2019. These timetables have in turn identified the signalling and infrastructure enhancements that would be required to deliver them.

Turning to the three areas on which the Joint Committee requested further details:

- i. With regard to our future work programme in relation to this project, Network Rail is, as outlined at the Key Stakeholder Meeting, completing the Governance for Railway Investment Projects (GRIP) 2 stage of the project, which establishes a project's feasibility. The next stage will be GRIP 3, which is option selection, which will be carried out by Network Rail's Capital Delivery team. During this stage, further detail on the estimated costs and a draft programme will be developed for the single option selected for progression. To speed this process up, we have engaged Atkins to assist in this work.

- ii. Moving onto timescales and milestones; as discussed at the Key Stakeholder meeting the GRIP 2 feasibility work has been fast tracked and carried out considerably more speedily than the normal two years timescale. We will be pressing Network Rail to complete GRIP 3 within a similarly accelerated timescale.
- iii. The GRIP 3 process will identify specific measures and their contribution to the journey times stated within the Reference Group's close-out report. As Network Rail confirmed at the Key Stakeholders' meeting, however, each of the timetables developed as part of its GRIP 2 work would deliver the service frequencies and journey times specified by the Reference Group. Initial work by Atkins on the feasibility of the required signalling and infrastructure enhancements provides assurance that delivering these by 2026 is feasible. Whilst cost estimates at this early stage can only be expressed within considerable ranges, this early work suggests that these enhancements would be likely to cost significantly in excess of £200 million.

Work is also on-going to prepare an Outline Business Case, also being undertaken by Atkins in line with Transport Scotland investment governance procedures, and this will need to be approved by our investment decision-making board prior to the project progressing. As Bill explained in his response to Stephen Archer previously, this project, along with other rail enhancement projects, will need to demonstrate value for money and to fulfil the requirements of the Rail Enhancement Capital Investment Strategy (RECIS).

I understand that NR indicated on 16 April that it hoped by the end of May to be in a position to share its GRIP 2 report with you. We have been informed that Network Rail's Capability and Capacity Analysis team in Milton Keynes, which has been quality-assuring the report, has had to re-prioritise its resources to Covid-19-related timetabling work. You will appreciate that there will therefore be a delay in finalising the report.

I would however assure you, and the Aberdeen City Region Deal Joint Committee, that at this challenging time we are doing everything we can to progress the Aberdeen to Central Belt rail enhancements project and that it remains a priority. In addition to fulfilling the commitment by Scottish Ministers, it will be a key enabler to our ambitious de-carbonisation strategy for routes to Aberdeen and beyond

Finally, given that we have committed significant resource to arranging Key Stakeholder Meetings, at which detailed progress updates are being provided by ourselves and our industry partners, and which you attend alongside officials from Nestrans and Tactran, I'd be grateful if any future correspondence could be raised for discussion via this forum. The next meeting has been scheduled for 23 July.

Yours sincerely,



**Damian Briody**  
Head of Rail Delivery

c.c. Amy Phillips, Transport Scotland

## ABERDEEN CITY REGION DEAL:

Powering Tomorrow's World

<b>Report Name</b>	Aberdeen City Region Deal Annual Report 2019/20
<b>Lead Officer</b>	Richard Sweetnam, Chief Officer, ACC
<b>Report Author</b>	Julie Wood, CRD Programme Manager ACC
<b>Date of Report</b>	June 2020
<b>Governance</b>	City Region Deal Joint Committee

<b>1:</b>	<b>Purpose of the Report</b>
1.1	To present the Aberdeen City Region Deal Annual Report 2019-20 and gain approval from the Committee for its wider publication.

<b>2:</b>	<b>Recommendations for Action</b>
2.1	It is recommended that the Joint Committee endorses the report.

<b>3:</b>	<b>Summary of Key Information</b>
3.1	The attached report covers the progress made between April 2019 and March 2020.
3.2	Once endorsed by Joint Committee, ACC design team will format it, following the layout of previous years CRD annual reports.
3.2	The Aberdeen City Region Deal 2019 -20 Annual Report will be submitted to the UK/SG as part of the Deal's Annual returns in July 2020
3.	The Annual Report will be reviewed as part of Deal's Annual Conversation with UK/SG in September 2020.
3.3	Subsequent to this Committee, the Annual Report will be made widely available, including through the City Region Deal, Aberdeen City Council, Aberdeenshire Council, UK Government and Scottish Government websites.

<b>4:</b>	<b>Finance and Risk</b>
4.1	Any financial implications are included in the Annual Report.



# Aberdeen City Region Deal Annual Progress Report 2019/20

## THE DEAL 2016

*The Deal is the Agreement between the UK Government and the Scottish Government with Aberdeen City Council, Aberdeenshire Council and Opportunity North East (ONE) on a city region deal. It follows the signing of a “Heads of Terms” Agreement in January 2016 by the Secretary of State for Scotland; the Cabinet Secretary for Infrastructure, Investment and Cities; the Leader of Aberdeen City Council; one of the Co-Leaders of Aberdeenshire Council; and the Chair of ONE.*

## Contents

<b>1. AN INTRODUCTION FROM THE CHAIR OF THE ABERDEEN CITY REGION DEAL JOINT COMMITTEE, COUNCILLOR JENNY LAING</b>	<b>3</b>
<b>2. ABERDEEN CITY REGION DEAL OVERVIEW</b>	<b>4</b>
<b>3. FINANCIAL STATEMENT</b>	<b>7</b>
<b>4. GOVERNANCE AND ACCOUNTABILITY</b>	<b>8</b>
<b>5. GEOGRAPHICAL OVERVIEW</b>	<b>9</b>
<b>6. PROJECTS - SYNOPSIS, PARTNERS, MILESTONES AND BENEFITS</b>	<b>10</b>
<b>6A. THE OIL &amp; GAS TECHNOLOGY CENTRE (OGTC)</b>	<b>10</b>
<b>6C. FOOD HUB (SEEDPOD)</b>	<b>27</b>
<b>6D. ABERDEEN SOUTH HARBOUR</b>	<b>29</b>
<b>6E. TRANSPORT</b>	<b>32</b>
<b>6F. DIGITAL CONNECTIVITY</b>	<b>35</b>
<b>7. CHALLENGES, OPPORTUNITIES AND NEXT STEPS</b>	<b>40</b>
<b>8. COMMITTEE, BOARD AND MANAGEMENT</b>	<b>42</b>
<b>9. CONTACTS</b>	<b>42</b>

## 1. AN INTRODUCTION FROM THE CHAIR OF THE ABERDEEN CITY REGION DEAL JOINT COMMITTEE, COUNCILLOR JENNY LAING

Four years ago, when we signed the Aberdeen City Region Deal, we set out to deliver increased and sustainable economic growth to the City Region. This Annual Report demonstrates how, over the past year, the Deal is delivering projects that have - and will continue to have - a positive impact on our economy.

At the time of writing we are in week eight of lockdown as a result of the Covid-19 pandemic. As many of us embrace working from home, the investment through our **Digital Programme** in superfast internet connections has enabled us to work, study and stay connected in this time of disruption and social isolation.

The unprecedented situation has given rise to multiple and severe challenges, and the dramatic fall in hydrocarbon prices is uniquely impacting our City Region. The forward steps laid-out within the Deal are enabling us to position ourselves to meet such weighty and unexpected economic and social demands.

Our focus on achieving a NetZero carbon economy and transforming transport links as addressed in the **Strategic Transport Appraisal** will be great enablers in meeting our goals. The Deal's Innovation projects, delivered through Deal partner Opportunity North East (ONE) offer key growth opportunities for the City Region. These include production and export of premium quality food and drink and **bio-therapeutics** solutions. "**Seedpod**" was officially launched in January at Deans' of Huntly and construction for the BioHub is due to begin this year.

As Chairperson of the Aberdeen City Region Deal Joint Committee, I am pleased to note the impressive work of a national asset, **the Oil & Gas Technology Centre**, now in its fourth year of delivery for Aberdeen city region. Innovations in intelligent data, predictive maintenance, remote asset monitoring, and wearable technology maintain safe staffing levels while increasing efficiencies and achieving greater decarbonisation of the industry. These investments will help our industry weather the short and mid-term storm of oil price fluctuations, a 'green recovery' in response to Covid-19 and provide a catalyst for our journey to NetZero.

In response to Covid-19, the OGTC has supported and connected energy companies and technology developers who are adapting their technologies to support the NHS: from repurposing facilities and equipment to make PPE and ventilators, to providing diagnostic, detection and isolation capabilities.

The achievements set out in this report demonstrate that through continued targeted investment, we can and will kickstart the economy post Covid-19. Together we will continue to build on the investment in **Aberdeen South Harbour and the associated transport links**, and the investment in the wider deal programme. At a wider city region level, our continued delivery will help accelerate our net zero ambitions and develop a globally integrated energy transition cluster here in the North East of Scotland.

On behalf of the Deal Partners, I would like to thank our partners and stakeholders and the businesses in our key industry sectors for their continued support.

Councillor Jenny Laing, Co-Leader, Aberdeen City Council & Aberdeen City Region Deal Joint Committee Chair



## 2. ABERDEEN CITY REGION DEAL OVERVIEW



*Photo: BioHub Launch 2019. Left to right: Cllr Lumsden, Cllr Laing, Cllr Gifford, Sir Ian Wood*

The Aberdeen City Region Deal is one delivery mechanism for the Aberdeen City Region’s economic vision. A vision which reflects the Scottish Government Economic Strategy (2015) for achieving increased sustainable economic growth. The two mutually supportive objectives of boosting competitiveness and tackling inequalities are underpinned by four key strategic priorities to drive growth – Investment, Innovation, Internationalisation and Inclusive Economic Growth.

Aberdeen City Council, Aberdeenshire Council and Opportunity North East, together with the UK Government and Scottish Government are working together to address the challenges currently facing the Region and to capitalise on the substantial opportunities.

Follow this link to read the City Deal Agreement: [www.abzdeal.com](http://www.abzdeal.com)



## PROGRESS SHOWN AS INFOGRAPHIC

### **Year 1 Nov 2016 - October 2017**

Nov 2016 - £250m City Region Deal signed

Feb 2017 - The Oil and Gas Technology Centre opens with £180m CRD funding

May 2017 - The OGTC Innovation Hub build starts

May 2017 - Construction begins on the new Aberdeen South Harbour with £11m investment from CRD Partners Aberdeen City & Aberdeenshire Council

June 2017 - CRD joint committee endorses the business case for a new Bio Hub

Sept 2017 - BioHub business case approved by UK/SG

Sept 2017 - Region selected as pilot for ultra-fast broadband for businesses as a result in CRD joint working

Oct 2017 - The Oil & Gas Technology Centre officially opened by Scotland's First Minister

Oct 2017 – Transport ASAM\* – Interim upgrade finalised

### **Year 2 Nov 2017 - October 2018**

Nov 2017 - Ultra-fast broadband for businesses gets underway

Feb 2018 - CityFibre & Vodafone announce a £40m investment for Fibre to premises

Mar 2018 - The OGTC announces first Tech X accelerator pioneers

Jun 2018 - Strategic Transport Appraisal STAG pre-appraisal objective setting

Nov 2018 - Sensor Network Business Case approved

### **Year 3 Nov 2018 - October 2019**

2018 – OGTC establish Subsurface Solution Centre

July 19 - work on update to regional transport model commences, reflecting travel changes since the full opening of the Aberdeen Western Peripheral Route in Feb 2019

Sept 19 - Partners sign off Strategic Transport Appraisal - Option Development Report

Oct 19 - Full set of transport and travel surveys and information collected

Jan 19 – Food Hub Business Case Approved by UK Government and Scottish Government

Feb 19 – First of the 22 x 6,000 Tonne caisson unit arrive at Aberdeen South Harbour

### **Year 4 Nov 2019 - October 2020**

Nov 19 - Strategic Transport Appraisal - Initial Appraisal of Options commenced

Jan 20 - SeedPod brand is launched for Food Hub

Mar 20 - Strategic Transport Appraisal work being used as evidence base for new Regional Transport Strategy

Apr 20 - Fibre contract awarded

Apr 20 – BioHub planning permission granted

2020 – The OGTC - 6 Solution Centre funded technologies reach commercialization phase (TRL9) Currently at 20

## INCLUSIVE ECONOMIC GROWTH

### Infographic

- Community Benefits Clauses which highlight the **living wage**, address **equal pay** and **skills and training** for projects starting after 2019.
- The Deal supports the rural areas significant amounts of economic activity in sectors such as **tourism, agriculture, food, drink, digital and renewables**.
- Skills projects in **schools, colleges and universities** promoting **Oil and Gas** and **Digital** continue.

## EQUALITIES AND HUMAN RIGHTS

Aberdeen City Region Deal Leads and supporting officers continue to be supported by the Scottish Government. This ensures the projects consider equalities and inequalities, the Equality Act 2010 Public Sector Equality Duty, the nine protected characteristics and the Socio-Economic Duty (2010).

The completion of an Equality and Human Rights Impact Assessment (EHRIA) is a statutory requirement and a refreshed City Region Deal EHRIA was approved by Joint Committee in April 2019 demonstrating thorough consideration of socio-economic disadvantage and narrating mitigation measures that can potentially be applied.

## PROCUREMENT AND COMMUNITY BENEFITS

The Aberdeen City Region Deal partners have adopted a shared approach to positive procurement including community benefits clauses within all contracts. Partners will set specific requirements for contractors to deliver on, maximising the impact of benefits generated and investments.

### 3. FINANCIAL STATEMENT

#### Infographic

- The only Deal signed to date with a significant Private investment of **59%**
- Programme funding spent to date **47%**

#### ABERDEEN CITY REGION DEAL PROGRAMME FUNDING 2016

Total Programme Funding - Original Deal						
(£'000s)	UKG/SG	Councils	Universities	Private Sector	Others	Total
Oil & Gas Technology Centre	180,000	0	23,500	116,400	34,200	354,100
Bio Hub	20,000	0	0	7,000	11,000	38,000
Food Hub (SeedPod)	10,000	0	0	8,050	2,050	20,100
Digital Theme	10,000	7,000	0	15,000	0	32,000
Strategic Transport Appraisal	5,000	2,000	0	0	0	7,000
Transport Links to the New South Harbour	25,000	0	0	0	0	25,000
Aberdeen Harbour Expansion	0	11,000	0	339,000	0	350,000
<b>Total</b>	<b>250,000</b>	<b>20,000</b>	<b>23,500</b>	<b>485,450</b>	<b>47,250</b>	<b>826,200</b>

In addition to the City Region Deal Funding, the Scottish Government, as part of a Memorandum of Agreement announced a further £254million of funding.

- The Digital Theme received £10million.
- The Transport Theme was allocated £224million additional investment to be made in the North East of Scotland.
- £20million Infrastructure Funding was allocated, intended to release sites of strategic importance and provide certainty on the £130million affordable housing supply grant.

In 2018, CityFibre and Vodafone announced a £40million investment to make Aberdeen a gigabit city through a Fibre to the Premises Programme. The Deal had anticipated £15million from private investment, this is now £25million more than profiled.

Forecast of overall funding for the OGTC has increased by 3% due to an expected increase in 'Private Sector' funding. This is based upon correlation of the level of investment secured during the Centre's first 18 months of operation. Also note that over £32million of funding originally classified as coming from 'Others' in the agreed business case has now been reclassified under 'Private Sector' but this does not affect the forecast funding overall.

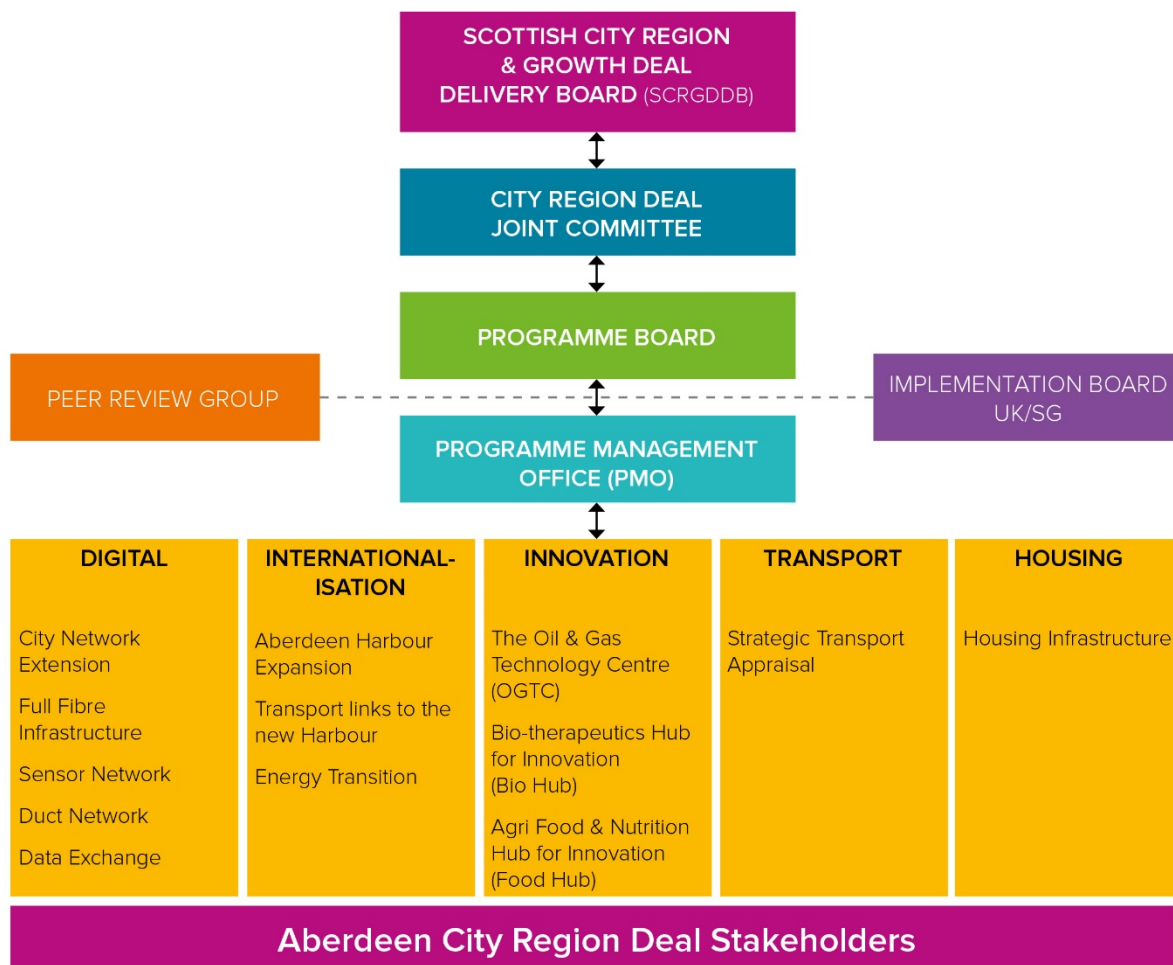
The approved business case for the BioHub set out a £40million investment project over 10 years from approval, with £2million of additional funding identified from the private sector and others. While all City UKG/SG funds will be utilised within the 10 year funding period, £4.4million of private sector and other funding will be invested outwith the initial 10 year term of the deal.

The approved SeedPod business case set out £21.1million of investment, with £1million of additional private sector and other contributions. £2.1million of SeedPod private sector and other funding falls outwith the 10 year deal term.

In 2017 Scottish Enterprise announced a contribution of £11.7million towards Aberdeen Harbour's £350million expansion.

## 4. GOVERNANCE AND ACCOUNTABILITY

The Aberdeen City Region Deal Governance Structure reflects the links between the City Region Deal and Housing Infrastructure fund under a separate Memorandum of Understanding with the Scottish Government.



### JOINT COMMITTEE

The Joint Committee drives and governs the implementation of the City Region Deal programme and its links to the Regional Economic Strategy. It works to maximise the economic benefits of the Deal. It includes 3x Aberdeen City Council Councillors, 3x Aberdeenshire Council Councillors and 3x Opportunity North East Board Members.

### PROGRAMME MANAGEMENT OFFICE (PMO)

The PMO reports directly to a Programme Board which oversees the operations of the Deal. The PMO meets quarterly with the UK Government & Scottish Government Implementation Board to discuss progress and a formal review is held annually.

### REGIONAL PARTNERS

The Digital, Transport and Housing Themes have working groups which oversee and drive forward the projects. Aberdeen Harbour, Oil & Gas Technology Centre (OGTC), BioHub and SeedPod are each governed by their own Board.

## 5. GEOGRAPHICAL OVERVIEW

The Aberdeen City Region continues to provide a competitive Business Environment with 25 of Scotland's top 100 businesses located here. In 2018 it was voted the best place in the UK to launch a business start-up. The region has two world class universities, University of Aberdeen and Robert Gordon University both of which are working closely with the Oil and Gas Technology Centre to deliver the Innovation Centres and OGTC to deliver National Research and Development Centres. The University of Aberdeen was named as Scottish University of the Year in the Times and Sunday Times Good University Guide 2019 and Robert Gordon University was ranked as top University in Scotland for employment in 2018.

The Aberdeen City Region Deal projects are located on the following plan.



## 6. PROJECTS - Synopsis, Partners, Milestones and Benefits

### 6a. THE OIL & GAS TECHNOLOGY CENTRE (OGTC)



Optional image [file ref: OGTC external shot]

Three years on, the OGTC has exceeded expectations with over 1,000 technologies screened, bringing to life 237 projects through £147 million co-invested with industry. With 20 technologies now commercialised, the organisation is forecast to deliver £10-15 billion in potential value for the UK - underpinning its goal to unlock the full potential of the UK North Sea, anchor and grow a diversified cross-sector supply chain and inspire a culture of innovation to deliver net zero.



[File ref: OGTC dashboard as 31 March 2020]



2019 also marked a key moment in the OGTC’s ambitions to accelerate the energy transition – and support the industry’s Roadmap 2035 - launching its dedicated Net Zero Solution Centre. Supported by UK Government and Scottish Government, alongside 10 industry, research and academic partners, the centre is focused on accelerating technologies that will decarbonise offshore operations, helping the UKCS to become the first net zero oil and gas basin, globally.

The OGTC is already supporting a host of companies focused on changing the carbon footprint of its operations by reducing carbon emissions, changing how they generate energy, preparing facilities to operate remotely and driving costs out of hydrogen generation.

A range of cross-sector collaboration is also under way, including the OGTC’s partnership with Offshore Renewable Energy Catapult (OREC), which is focused on creating an Integrated energy Vision for the North Sea - delivering a plan that will optimise the energy mix in the North Sea.



[File ref: Driving, Delivering and Connecting]

At the centre of the OGTC’s approach is its commitment to **driving, delivering and connecting** - working in close partnership with stakeholders to achieve this through its Solution Centres, National Centres and TechX accelerator programme.

Now expanded to include **seven solution centres** - Net Zero, Asset Integrity, Wells, Marginal Developments, Digital Transformation, Decommissioning and Subsurface - the OGTC is **driving technologies** that move the dial on key industry challenges. Taking direction from the solution centre technology roadmaps, a range of projects have progressed to field trial, including two integrated energy projects that could transform offshore power generation and reduce carbon emissions (see below). To date, 38 trials are now complete with 13 in progress and a further 46 planned.

The OGTC is also **delivering world-class research and development** in partnership with two North-East universities. The National Decommissioning Centre, a collaboration with The University of Aberdeen, was launched in early 2019 and has confirmed Chevron Corporation as its first anchor partner - supporting research on the environmental impacts of decommissioning. Two further projects partners have been confirmed, seven PhDs are under way and £2.6 million in additional funding secured. Working in partnership with Robert Gordon University, the OGTC is launching the National Subsea Centre (NSC) later this year. Chris Pearson has been appointed as Director of the NSC, which will tackle current and future challenges in subsea engineering.

The **TechX accelerator programme** continues to grow in strength, supporting game-changing start-ups within the energy industry. To date, cohorts one and two have now completed 10 field trials, with a further 20 secured, creating 20 new jobs and raising £2million in funding (with a further £15million in discussion). The 2020 cohort has attracted more than 150 applications from 37 countries, with around half coming from cleantech entrepreneurs, who will be supported by three strategic partners this year - BP, KMPG and newly joined, Equinor. The programme has also focused on expanding its international energy network, launching Tech Xchange. A partnership between TechX in the UK, Station Houston in the US and NERA (National Energy Resources Australia), this collaboration provides global market access and investment opportunities in key energy hubs.

Underpinning all the OGTC’s activity is its strong **culture of innovation**. The Centre’s innovation network connects industry with academia, scientific institutes, technology centres, communities of innovators and cutting-edge tech developers. This includes

key partnerships with technology and research organisations - including TNO and SINTEF in the Netherlands and Norway, and the National Composite Centre in the UK - leveraging centres of excellence to deliver common projects in support of the energy transition. Other alliances included the NECCUS programme and Scotland Net Zero Roadmap project, an industry, government, and expert collaboration to deliver a roadmap for the decarbonisation of the Scottish industry. A broader range of activity with universities, catapults, accelerator programmes, schools and communities are also undertaken through key events held in the OGTC's Innovation Hub. A cross section of this is highlighted in the sections below.

Solution Centres	TechX Accelerator	National R&D Centres	Culture of Innovation
Unlock UKCS potential & anchor the supply chain	Accelerate 100 new start-ups	Create at least two national R&D centres	Thought leadership for the industrial transition
Add >£8bn value	Add >£2bn value	Increase R&D capability	Ready for the future
Digital Transformation	15 new spin outs	National Decommissioning Centre with the University of Aberdeen	Horizon scanning
Net Zero		National Subsea Centre with Robert Gordon University	Cross-sector network
Subsurface	50% commercialisation		Academic network
Wells	£100m co-investment syndicate	Anchor the supply chain	Inspiring the next gen
Decommissioning			
Marginal Developments			
Asset Integrity			

[File ref: four key areas of the OGTC]

## PARTNERS

Initially sponsored by ONE (Opportunity North East), the OGTC continues to be governed by its own Board, which represents a range of industry experts across business, academia, government and regulator.

Working across a range of academia institutes and industry sectors to identify shared challenges, the OGTC also leads cross-sector collaboration on technologies to help accelerate carbon reduction and create export opportunities and other net zero technologies.

## KEY MILESTONES AND PROGRESS

### Milestone timescales

OGTC established as a legal entity	2016	Completed
Appointment of OGTC Board	2016	Completed
Draft Business Plan Available and reviewed by the Board	2016	Completed
Completion of Peer Review of Business Case	2016	Completed
Business case presented to CRD Programme Board	2016	Completed
Major Milestone - Business case approval by CRD Joint Committee	2016	Completed
Major Milestone - Business case approval by UKG & SG	2016	Completed
Permanent OGTC premises secured	2016	Completed
First three Solution Centres identified	2016	Completed
CEO and Solution Centre Managers commence roles	2016	Completed
First three Solution Centres - feasibility studies, project scoping and identification of partners underway as appropriate	2016	Completed
Work commenced on developing the Supply Chain Accelerator Programme	2016	Completed
Centres of Excellence – Memorandum of Understanding signed by local Universities	2016	Completed
Big Data Project Scoping underway	2016	Completed
Technology Network Hub Project Scoping underway	2016	Completed



Major Milestone - Three OGTC managed Solution Centres up and running	2016	Completed
Temporary OGTC premises secured	2016	Completed
Business case sign off by OGTC Board	2016	Completed
Technology Accelerator Programme: Supply Chain R&D matched funding programme framework established (eligibility criteria, contracts, legal, IPR policy, payment terms etc.); 2 projects with funds secured and match funds released	2017	Completed
A technology knowledge database platform created and starting to populate	2018	Completed
Digital technologies / big data: Exemplar project well advanced	2018	Completed
Commencement of Hub build for National Decommissioning Centre	2018	Completed
Establish Subsurface Solution Centre	2018	Completed
Identify the role of the OGTC in providing physical space in the form of incubators to promote growth - draft plan worked up	2019	Completed
TechX - Matched funding program framework established (eligibility criteria, contracts, legal, IPR policy, payment terms, etc). 15 projects with funds secured and match funds released	Cohort 2 graduated in Sept 19, 22 companies in total. 12 companies due to start Cohort 3 in Aug 20	Completed
£64million co-investment match funding Currently £92.7m	2020	Completed
Secure undertakings from industry partners to commit to at least 60 offshore technology development and test projects Currently at 107	2020	Completed
6 Solution Centre funded technologies reach commercialization phase (TRL9) Currently at 20	2020	Completed
180 projects in the areas of Small Pools, Well Construction, Asset Integrity, Subsurface and Decommissioning identified, underway or completed. Currently at 211	2020	Completed
Digital Technologies / big data: 30 projects Currently at 25		Green
1 Further National Centre identified and in early stage of development with MOU's and co-funding agreements progressing to support OGTC Projects	In discussions on an Energy Transition Park in Aberdeen and the creation of a Net Zero focused centre in that space	Green
2 National Centres well underway for development	NDC launched in January. NSC in development with RGU	Completed
A Technology knowledge database platform created and populated	2020	Completed

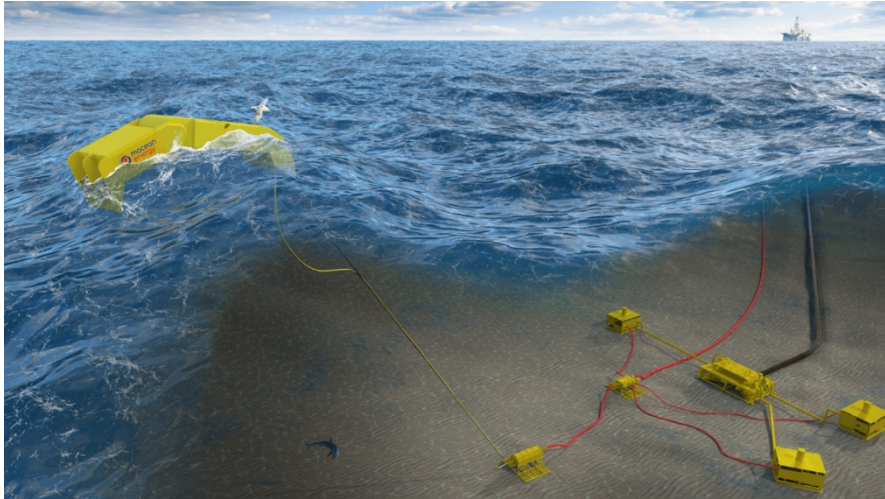
## SUCCESSSES TO DATE

- £147 million co-invested
- 1040+ technologies screened
- 237 approved projects

- 41 field trials complete, 12 in progress and 53 planned
- 139 memberships
- 23,500+ visitors to date
- 2 calls for ideas

**Key milestones/successes include:**

- In February 2020, **Mocean Energy**, a TechX programme graduate, partnered with energy major Chrysaor and technology developers EC-OG and Modus, to develop a renewable subsea power generation and storage system. Co-funded through the OGTC, it will harness wave energy and subsea storage to power tiebacks or residential AUVs, with a technology field trial in Orkney planned. In September 2019, Mocean also announced investment in its Aberdeen base to commercialise its Seabase technology.



[File ref: Mocean]

- The OGTC's first 'spark in the water' was the **Ocean Power Technologies' PB3 PowerBouy®**, a partnership between wave technology developer OPT, Acteon Group and Premier Oil. Deployed in August 2019 on Premier's Huntington Field, the moored bouy is now being trialled to capture energy from the motion of waves to power monitoring and protection capabilities for subsea architecture. The bouy also has the potential to replace the need for decommissioning guard vessels, reducing offshore logistics and reducing carbon emissions.



[File ref: OPT PowerBouy]

- In September 2019, **Offshore Europe 2019** provided a key opportunity for the OGTC to showcase its delivery, including the first ever Start-up Village in partnership with TechX and Elevator. The Centre hosted two stands, partnered five STEM organisations, delivered six ‘pitch pit battles’, showcased 15 technology developers and 40 start-up companies and participated in 14 panel presentations. The organisation also used this as a platform to launch its Net Zero Solution Centre, focused on decarbonising operations and supporting the UK to become the world’s first net zero hydrocarbon basin.



[File ref: Offshore Europe Net Zero Solution Centre launch]

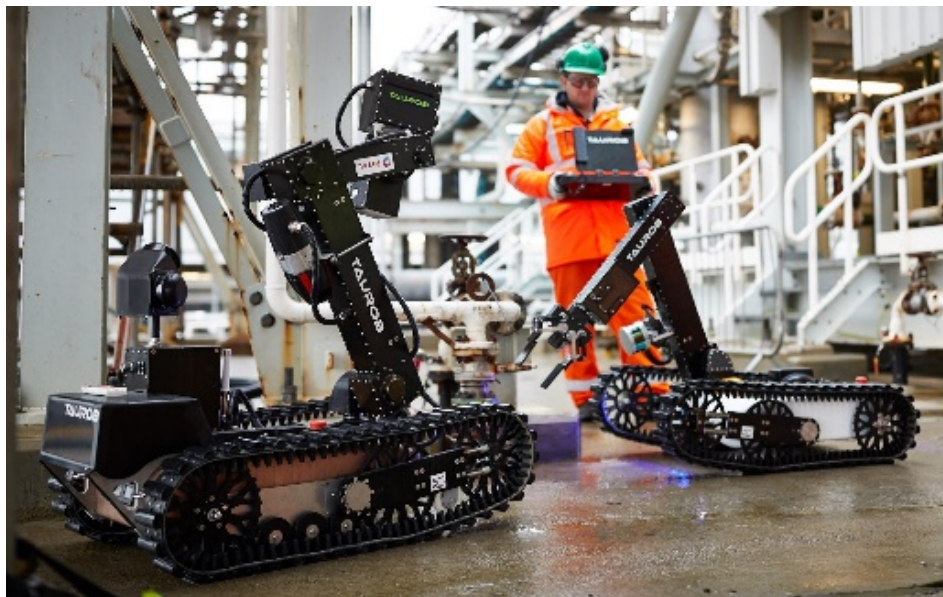
- **Air Control Entech**, one of the OGTC’s first project partners, has grown significantly over two years, increasing turnover by 60%, employing 15 people and recently opening offices in Aberdeen City. The conclusion of its first project in August 2019 successfully delivered four proprietary UAV designs (manless tank entry, contact ultrasonics, 3D laser scanning and RFID scanning), including full design and flight test. This will address demand for a reliable UAV fleet capable of operating in an offshore environment.
- **EC-OG PowerHub**, one of the OGTC’s ground-breaking integrated energy projects, harnesses tidal currents to produce autonomous electrical power for subsea infrastructure. Now successfully field trialled, it reduces dependence on expensive umbilicals and has the potential to generate £200 million in savings to the industry and reduce carbon emissions. Following its initial start-up success, the company now employs 25 people (from a start-up team of 12 people), has secured £1.5 million in public sector funding and £2.5 million in private sector funding.





[File ref: EC-OG PowerHub]

- Working in partnership with technology developers **Taurob** and international operator, **Total**, the OGTC is co-funding the field trial of the world's first autonomous offshore robot. The robot is designed to perform a range of tasks, including visual inspections, read dials, level gauges and valve positions, navigate through narrow pathways and up and down stairs, measure temperature and gas concentration, and detect and navigate around obstacles and humans. In 2019 an onshore field trial was completed in Shetland, leading to a longer-term offshore field trial in 2020. This aims to prove the offshore capability and potential to transform offshore inspection, which could reduce cost by £128 million per year.

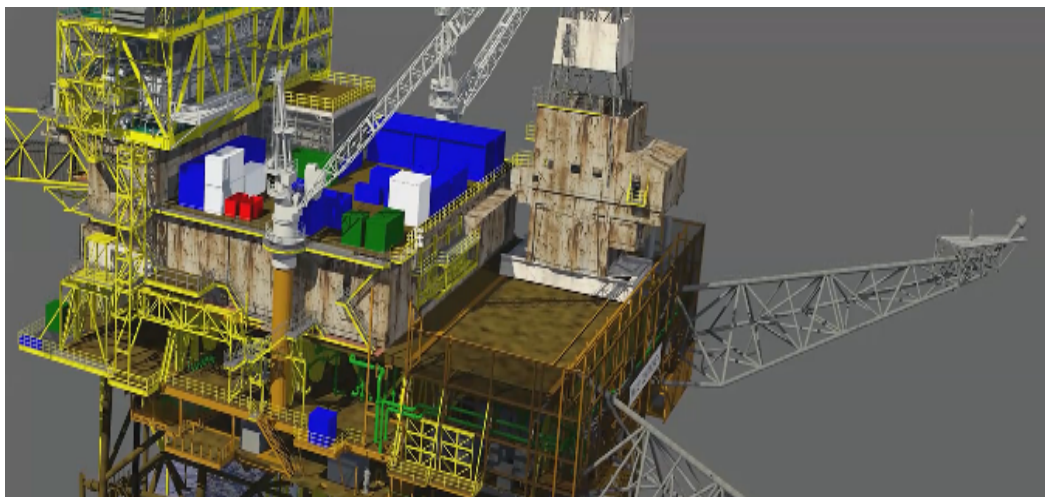


[File ref: Taurob robotics]



[File ref: Robotics partners at OE19]

- Well construction specialist, **DeltaTek Global**, has partnered with the OGTC to develop drilling technologies SeaCure and Articulock – enabling them to commercialise in just 18 months. The start-up company, which has been supported by the OGTC, now employs 11 people, has an established business in Aberdeen and an operations base in Houston, which have collectively secured contracts worth £1.5 million in 2019. The business also secured significant investment to expand the business.
- 2019-20 was pivotal in **GDi's** development of its digital twin and inspection modelling software, which has the potential to transform 3D modelling and 360-degree imaging. Using the latest laser scanning and photogrammetry technology, it creates a digital twin of the plant, using visual inspection systems to automatically detect and categorise defects. This has the potential to save £2million per platform or £500million across the UKCS. In 2020 the company is partnering with the OGTC to develop its latest innovation, laser scanning and reporting for asset management.



[File ref: GDi Digital Twin]

## Awards

The OGTC has been recognised for number of awards, including partnerships with its technology developers. This included the 2019 'Excellence in Collaboration' award at the Decom North Sea Awards, alongside partner Spirit Energy, which recognised outstanding teamwork by the Thermite Collaboration Forum. The Centre was also shortlisted for the same award, for Ardent's Archimedes jacket buoyancy removal device, while Ecosse IP received the 'Outstanding Innovation' award for its Ambient Lifter technology, another project supported by the OGTC. The TechX team were recognised by AIRTO (Association for Innovation, Research and Technology Organisations) for the significant impact they have made over the past two years, winning the Best Practice in Innovation award.

## BENEFITS

Benefit	Measures	Target	Target date	Current measure
Match funding	Co-investment match funding from the private sector (operations and supply chain)	£174.1m	2026	£147m
Increase in GVA	Additional GVA	£8.9B - £26.9B	2036	£1.8B
New technologies developed	Increase the number of new technologies that have been deployed on a first user principle	10	2026	23
Commercialised solution centre technologies	Number of OGTC solution centre funded technologies reaching commercialised phase (TRL9)	15	2026	20
Supply chain projects funded	Number of supply chain technology accelerated projects co-funded	100	2026	21

## INCLUSIVE ECONOMIC GROWTH

The OGTC embraces knowledge and information sharing, connecting people and organisations through a range of events. The Centre's Innovation Hub provides an inspirational place for companies, technology providers, schools and the broader community to share learning and embrace the art of the possible. This year the Hub hosted:

- Over 8,300 visitors to the OGTC
- 185 overall events
- 25 Tech20 talks
- Three technology showcases





[File ref: Technology Showcase]

The OGTC has also prioritised STEM (Science, Technology, Engineering and Maths) at the heart of its agenda, supporting a range of programmes:

- Together with the Scottish Council for Development and Industry (SCDI), the OGTC hosted a **VEX Robotics** schools learning session for teachers in the local area. This included sponsorship of robotics kits for use in 10 schools across Aberdeen City and Shire to help inspire the next generation through building and programming robots.



[File ref: Vex Robotics]

- The **Primary Engineers Programme** supported 10 primary schools through an initiative that promotes engineering careers for pupils, while helping teachers to proactively address gender imbalance in science and engineering. The OGTC team supported classroom roll out and provided the Innovation Hub for ‘train the trainer’ sessions.
- A team from OGTC supported Heathryburn Primary School’s participation in **Lego League**. Held in Aberdeen for the first time, the team “Supreme Lego League Team” won the coveted ‘Best Innovation Award’ and were successful in getting a wild card entry to the Scottish finals, held in Perth.



[File ref: Heathryburn School Lego League]

- The OGTC brought the **Titan II STEM Innovation Truck** to Aberdeen for the first time, which saw over 240 local school pupils and teachers immersed in range of technologies and interactive exhibits. Showcasing technologies such as 3D printing, robotics, drones, VR and thermal imaging, this gave young people the chance to be inspired by the range of opportunities an interest in STEM can unlock.



[File ref: Titan Truck]

- The OGTC played an active role in **mentoring young people** in the workplace, hosting a range of placements, summer internships, Career Ready interns and apprenticeships.
- **The Energy Hub** was developed in partnership industry and the OGTC, including a **STEM industry group** to align activity in support of the next generation of talent. The group pools resources, minimises duplication and provides a consistent voice to promote the opportunities within the energy sector, including representation at key events.





[File ref: STEM Energy Hub]



[File ref: STEM industry group]

- For those who have already begun their career, the OGTC launched a new **Mentoring with Energy** app in partnership with industry. The initiative is focused on ensuring tomorrow's workforce is supported today - improving diversity and inclusion within the industry, initially targeting mid-level career women looking to advance into senior roles. Complementing this is **Mentoring Circles**, a peer-run mentoring group which addresses the issues women in the energy sector face when taking their career to the next level.



[File ref: mentoring app]

**Douglas Ross, UK Government minister:**

“It is fantastic to see the progress of the OGTC over the past three years in which it has achieved many impressive results. The Centre is a key part of the transformative Aberdeen City Region Deal, into which the UK and Scottish Governments are jointly investing £250 million to maximise the region’s strengths and spark innovation, ensuring a sustainable and prosperous future. I look forward to seeing the continued progress of the Centre in keeping Scotland at the forefront of the global energy industry as we adapt to a net zero society.”

**Paul Wheelhouse, Scottish Government minister:**

“Since its creation three years ago the OGTC has played a key role in the Scottish Government’s aims to create a sustainable, secure and inclusive energy transition for Scotland, thanks to its commitment to innovation, collaboration and the development and deployment of new technologies. Its Net Zero Solution Centre will support the sector’s ambition to become the first net zero hydrocarbon basin in the world - a key element of a sustainable, secure and inclusive energy transition.

“It’s through the success of organisations like the OGTC, which has received £180 million investment from the joint Scottish and UK Government Aberdeen City Region Deal, that we will see Aberdeen transition from being Europe’s oil and gas capital to being recognised as a truly global energy city – further demonstrating the additional benefits brought about by City Deals and Growth Deals.”

**Councillor Jenny Laing, Aberdeen City Council Co-Leader:**

"The OGTC is a wonderful example of what can be achieved when the public and private sectors work together for long-term economic, environmental and social goals. The recently published Aberdeen Economic Policy Panel report underlined the continuing significance of the oil and gas sector whilst stressing the need for diversification within the energy sector.

“As we transition to net zero, the qualities that have helped us succeed in the North Sea will ensure that the Aberdeen City Region continues to lead and inspire as we look to develop renewable technologies. At the same time, the research taking place on decommissioning and subsea - both driven by the OGTC - and the efforts to green oil and gas production means that we are perfectly placed to consolidate our position as a global energy capital.”

**Councillor Jim Gifford, Aberdeenshire Council Leader:**

“The OGTC was one of the first ‘bricks and mortar’ projects to come from our City Region Deal, and a clear demonstration of our collective aims and aspirations. Since it was established we have met with the leadership of the OGTC regularly through our Joint Committee. This allows us all to keep updated on the work they are doing. For me, the strength of the OGTC is the mechanism it provides to support new ideas and bring them to market. It is about fostering an entrepreneurial attitude across the sector, and work done through the TechX programmes gives equality of opportunity from the pool of entrepreneurs.”

**Andy Samuel, Chief Executive of the Oil and Gas Authority:**

“Over the past three years, the OGTC has gone above and beyond to drive technology development in the UK oil and gas industry, creating many valuable opportunities for companies, individuals and academia. Technologies supported via the OGTC have a powerful impact across the whole oil and gas lifecycle. With technology, innovation and integration playing such a critical role in the route to net zero, the OGA will continue to work closely with the OGTC and industry on technology development and deployment.”

**Sir Ian Wood, Chairman of Opportunity North East:**

“The OGTC has developed very successfully over the last three years and is now playing a significant role in growing and anchoring our oil and gas supply chain in the North East of Scotland long term, beyond the North Sea. The technology developed will significantly enhance and maximise the economic recovery of our North Sea oil and gas reserves and grow our international reputation and reach.

“Alongside this, the OGTC’s Net Zero Solution Centre will undoubtedly help develop an important renewables industry in the North East of Scotland contributing significantly to achieving net zero by 2050. Opportunity North East’s plans for an Energy Transition Zone are complementary and, between them, with the new Aberdeen South Harbour and the significant potential of St Fergus for CCS, there’s every opportunity to develop a global energy transition cluster in our region.”

**Deirdre Michie, Chief Executive, OGUK:**

“New technology plays a crucial role in pioneering lower carbon solutions as we look towards a net zero future, and this is thanks to the ground-breaking thinking and innovations developed by our world-class supply chain. The OGTC is integral to all of this and its achievements over the past few years, including the launch of its Net Zero Solution Centre, are really impressive and they should be proud of what they have achieved. Roadmap 2035 shows we are already playing an active role in the transition to a more diverse energy mix, with many of our members developing new technologies and bringing them to market, and the OGTC is vital to these moving forward.”



## 6b. BIOHUB



The BioHub is a 10 year £40 million investment project to accelerate business growth and build on the strengths of the Life Sciences cluster in the North East of Scotland, which includes the company base, University of Aberdeen, Robert Gordon University and NHS Grampian.

Following approval of the business case by the UK Government and Scottish Government in late 2017, BioAberdeen Ltd, sponsored by Opportunity North East (ONE), was set up to deliver the BioHub project and has appointed a multidisciplinary team to project manage and construct the BioHub. ONE has supported BioAberdeen to progress with the build project that will enable the BioHub to deliver the outcomes set out in the approved business case. An exciting design for the BioHub has been developed by an architect-led design team. It will provide a focal point for Life Sciences companies in the region with an environment that will encourage and support innovation and collaboration. The BioHub, located within the Foresterhill Health Campus in Aberdeen, received planning permission in March 2020.

A preferred construction contractor to deliver the project has been identified and it is anticipated that contracts will be agreed, and site works will commence mid-2020, with the BioHub opening to its first tenants in the latter half of 2021.

ONE continues its engagement with and support of companies across the Life Sciences sector, to deliver activities across the segments set out in the business case to drive collaborative innovation, research commercialisation, and company creation and growth..

**Increasing Innovation through Collaborative infrastructure:**

- Working with local established companies and start-ups to understand their current and future needs to determine the correct balance and flexibility of office and laboratory space

**Creating High Growth Sustainable Business:**

- Pre-commercialisation and pre-accelerator workshops delivered in conjunction with Universities and NHS Grampian
- An Accelerator programme delivered to support new start life science businesses
- Leadership skills developed through workshops and mentoring support to encourage business growth

**Building and Promoting Core Strengths:**

- Marketing and communications campaigns under development
- Attracting industry leaders and major life sciences events to the north east
- Working with businesses and the NHS to increase the artificial intelligence and digital healthcare capabilities of the region

**Enhancing the Cluster through Collaborative Partnerships:**

- Continuing to develop a network of regional, Scottish and international partnerships
- Broadening the membership of the life sciences network, engaging with successful academics and entrepreneurs

**PARTNERS**

The BioAberdeen Board maintains a membership base that reflects a partnership led by the private sector and the diversity of the sector, including ONE, NHS Grampian, University of Aberdeen and Robert Gordon University.

**KEY MILESTONES AND STATUS**

MILESTONE	TIMESCALES
BioAberdeen Ltd established Complete	March 2017
Business Case approved by UK and Scottish Governments	October 2017
Launch Life Sciences Support Programme Complete	October 2017
Build a 69,000 square foot flexible collaborative Hub space	H2 2021
Achieve minimum 80% occupancy target by year 5	2026
24 start up and spinouts achieved by year 5	2026
Develop 2 international collaborations	2026



Prof Andy Porter, chief technical officer at Elasmogen and director of the Scottish Biologics Facility at the University of Aberdeen, said: “The outlook for life sciences in Aberdeen has never been stronger or better than it is at the moment. The life sciences businesses in the region include established companies and earlier stage spinouts and start-ups. Bringing them together in the BioHub will establish a real cluster and further accelerate innovation within the commercial, clinical and academic communities. Having a life sciences sector in the city that is really collaborative in how it conducts research but isn’t too big and overwhelming means that we can get that triple helix of companies, academics and clinicians established and working to innovate and commercialise.”

## **BENEFITS**

Benefits outlined in the BioHub business case.

<b>Benefit</b>	<b>Measures</b>	<b>Target</b>	<b>Target Date</b>
Life Science support programmes	Life Science support programme launched	Deliver	Delivered 2018
GVA	Generate GVA	£76m-£138m	2047
Startups and Spinouts	Number of spinouts achieved	24	2026
Networking events focussing on company growth	Number of networking events per annum	4	2026
International collaborations	Number of international collaborations in place over 5 years	2	2025



## 6c. FOOD HUB (SeedPod)

The Food Hub - SeedPod, sponsored by Opportunity North East (ONE), is a £21m investment project over 10 years to accelerate growth and innovation of existing businesses and start-ups by building on the strengths of the food and drink industry in the North-East of Scotland through a consumer-focused, customer-driven approach to innovation across all sectors of the industry.

The business case for the Food Hub was approved by the UK Government and Scottish Government in January 2019, and Food Hub (NES) Ltd was set up with a diverse industry-led board to develop and manage the Food Hub project with support from ONE. An architect-led design team is working with Food Hub (NES) and ONE to develop an inspiring design for the building, which will deliver the Food Hub's objectives over the longer term.

The investment announcement event hosted by ONE in January 2020 also launched the branding for Food Hub – **SeedPod**.



ONE continues its engagement with and support of companies across the Food, Drink, Agriculture and Seafood sectors, to deliver activities across the segments set out in the business case.

### **Foods of the Future**

- Food, drink and agriculture companies are provided with market insights information through our partnership between ONE and Scotland Food & Drink.
- The export partnership with SDI and network events support ongoing product and market development.

### **FoodX accelerator, incubator and scale up**

- A third business growth programme was successfully delivered to aspirational food and drink companies in the region.
- Follow-on and mentoring support is provided to previous business growth programme participants.
- Start-up boot camps delivered for new companies across all sectors.

### **Food Industry 4.0**

- Working with NMIS in a collaboration agreement to deliver a step change in digital and automation technology adoption.

### **Innovation infrastructure**

- Design team appointed and development of concept design well underway.
- Heads of terms agreed for lease of site at Craibstone

Key milestones	Planned / achieved date
Business Case Approved by UK Government and Scottish Government	January 2019
Delivery team appointed	December 2019
Planning submission	Q3 2020
Build and open a 30,000 sq. ft flexible space	H1 2022
The first cohort of 10 start-ups participating in the accelerator programme	2021
10 start ups achieved per year	2025
Increase in company turnover by min 5% per annum	2025
20 companies to have achieved significant sales (10% turnover) in new markets (at least 2 of these to be international)	2028

## BENEFITS

Benefits outlined in the Food Hub business case.

Measures	Target	Target Date
First cohort of 10 start-ups participating in the accelerator programme by January 2020	Minimum of 10 companies	2020
10 start-ups achieved per year by year 5 (2025)	2 per year	Progress will be monitored quarterly from July 2020 – Dec 2025
1 growth programme per year, with 10 company participants in each	Minimum of one programme ongoing per year	Food Hub team will report on progress towards target annually years 2021-2025 along with income generation figures
4 companies per year investing in advanced processing technology/smart manufacturing – achieving 25% gain in productivity	4 companies	Progress to be monitored quarterly from 2020-2025
10 companies investing in R&D, 5 of these in collaboration with academia	2 per year	Measure annually in year 2025
Increase in company turnover by min 5% per annum by 2025 by companies supported by the Food Hub		Annually from 2025
20 companies to have achieved significant sales (10% of turnover) in new markets (at least 2 of these to be international) by 2028		Annually 2028

Gregor Mackintosh, managing director of Mackintosh of Glendaveny, said: “North east Scotland is a driving force in Scotland’s food and drink industry. SeedPod will be the place where businesses and people can share knowledge, innovate and inspire one another - whether they are start-ups developing a new idea, established manufacturers interested in the latest production technology or businesses accessing market insights and new product development support. By providing this centre of excellence for the industry we will build on our sector strengths, grow existing and new businesses in the region, deliver national impacts for the sector and increase our premium product presence in high-value international markets.”



## 6d. ABERDEEN SOUTH HARBOUR



The Harbour Vision: To become Scotland's premier port, offering world class facilities to national and international customers and stakeholders.

Aberdeen's Harbour Extension "Aberdeen South Harbour", was delayed in 2019 and with the compounded impact of COVID19 completion date is being forecast as 2021. On completion it will be a unique facility due to its distinctive blend of capacity, location and connectivity. Along with the North Harbour, it will represent an exceptional opportunity for commercial growth and diversification.

### Infographics

- Adjacent to the largest oil and gas supply chain in Western Europe
- 300 metre vessels can berth alongside
- Serving a City with an international airport, rail and trunk road connectivity
- A harbour with a water depth of up to 15 metres
- Gateway to one of the UK's greatest untapped tourist destinations
- A harbour with the largest amount of berthage in Scotland

### PARTNERS

The Harbour is operated by a **Trust Port**, created by an Act of Parliament. It is run by an independent Board for the benefit of its stakeholders and governed by its own legislation. The Harbour Board members have expert knowledge in, Law, Construction, Finance, Oil and Gas, ports, Commercial, Marine and Property.

*"In terms of investment, Aberdeen Harbour's South Harbour expansion is the largest port infrastructure project underway in the UK, and the largest single investment project in the history of UK Trust Ports".*

Michelle Handforth, Chief Executive, Aberdeen Harbour Board

### MILESTONES & PROGRESS

Construction of Aberdeen South Harbour is now well underway, with the project 70% through the building process.

## Milestones and status

Key Milestones	Timescales
Construction Commencement	Complete -May 2017
Commencement of Dredging Operations	Complete - September 2017
Commencement of Piling Operations	Complete -May 2018
4,000 accropodes manufactured at the purpose built automated factory in Gregness	Complete - December 2018
First of the 22 x 6,000 Tonne caisson unit arrives	Complete - February 2019
Completion of North Breakwater	To be rescheduled
Arrival of final closed quay caisson	To be rescheduled
Completion of South Breakwater	To be rescheduled

A total of 22 caissons will be used in the Harbour, forming the foundations of the closed Dunnottar and Castlegate quays. These quays will be used by some of the largest vessels associated with sectors such as decommissioning and cruise.

In total 9,000 accropodes will be made for South Harbour and some of them are the largest accropodes in the world. These accropodes will act as the outer armour for the North and South Breakwaters, protecting the harbour from a 1-in-200-year storm.

The four quays in the new port will be named Balmoral, Dunnottar, Crathes and Castlegate, in honour of the history and heritage of the North East of Scotland.

The 175.6 metre MV Beltnes, a Self-Discharging Bulk Carrier, and the largest vessel to visit Aberdeen Harbour to date, has been utilised to discharge thousands of tonnes of fill material behind concrete caissons, as part of the creation of the Dunnottar and Castlegate Quays.

The fill material used behind the caissons has been quarried from Norway and will provide these quays with significant heavy-lift capacity, all designed to support activity associated with the onshore and offshore energy industry.

**7,300m** including South Harbour

**5,900m** existing Harbour

**Harbour – total quay length**

**Cruise size**

**CURRENT CRUISE**

**VESSELS**

**CRUISE VESSELS**

**IN NEW HARBOUR**

**165 metres 300 metres +**

## BENEFITS

BENEFITS OUTLINED IN THE ABERDEEN HARBOUR BUSINESS CASE

Benefit	Measures	Target	Target Date
Increase in GVA	City Region	£0.8b per year	2040
	Scotland	£0.9b per year	2040
Increase in Jobs	City Region	5,550	2040
Cruise Ships	Cruise Vessel Visits	60 visits	2025
		75 visits	2030
		85 visits	2035

\* BiGGAR Report, 'Economic Impact of Aberdeen Harbour Nigg Bay Development' commissioned by Scottish

Enterprise in 2013 listed the above economic benefits of Aberdeen South Harbour and “improvements to the roads infrastructure around Nigg Bay”, the latter is being taken forward through the External Links to Aberdeen South Harbour Project.

### **SOUTH HARBOUR: RENEWABLES**

The Scottish Government aims that half of Scotland’s heat, transport and electrical energy needs will be met by renewable energy by 2030. Offshore wind energy will be a key aspect of this target and Aberdeen Harbour is in an ideal location to support these offshore wind projects. Once open, South Harbour will provide the capacity to marshal components for the pre-installation phase for Scottish territorial and round-three projects.

### **DECOMMISSIONING**

Aberdeen Harbour has been a hive of decommissioning activity, and in the last year, more than 10,000 tonnes of decommissioned materials have crossed the quayside. The opening of South Harbour will only add to this, supporting many more customers with their decommissioning requirements.

### **CRUISE ACTIVITY**

The existing North Harbour is able to accommodate vessels of up to 165 metres in length. In cruise industry terms, this covers the smaller vessel end of the cruise market. These vessels accommodate between 100 and 200 passengers, and generally these vessels support ‘specialist’ cruises which focus on a particular activity such as bird-watching or wildlife appreciation. The new South Harbour, however, will be able to accommodate vessels of up to 300 metres and more. Although representing a doubling in vessel length, the difference in passenger numbers per vessel is much greater than 50%.

These larger cruise vessels that South Harbour will be able to accommodate and carry up to 3,500 passengers. It is a startling fact that South Harbour has the ability to welcome a cruise vessel large enough to accommodate more passengers in a single visit than the total number of passengers to visit the North Harbour in a whole season. This is the quantum leap that South Harbour represents in terms of an opportunity for the City and Region.

### **INCLUSIVE ECONOMIC GROWTH**

Moving forward the Harbour aims to:

- Become one of the most environmentally friendly ports in Scotland - continuing to act as guardians of the wildlife we share our home with
- Continue as one of the most prolific supporters of local charities in the region
- Use technology and innovation to further reduce carbon footprint
- Continually strive to improve and grow services

### **EXAMPLE OF ENVIRONMENTAL MITIGATION**

Two underwater curtains made entirely of bubbles have been used during the construction of South Harbour to limit disruption to marine animals. The ‘double-bubble’ curtain is believed to be the first in the UK and reduces the underwater sound levels from construction. Each bubble reflects the sound back into the bay and away from surrounding areas.

### **COMMUNITY BENEFITS**

Aberdeen Harbour Board is committed to ensuring that the investment of the new harbour brings with it lasting benefits for local communities. As part of the project a programme of community benefit initiatives have been developed that will ensure a positive impact on the local economy and the surrounding communities.

### **TARGETED RECRUITMENT AND TRAINING**

A Community Benefit Steering Group (CBSG) has also been established, consisting of Aberdeen Harbour Board, Aberdeen City Council, North East Scotland College, CiTB, ACVO and Skills Development Scotland, to ensure a local approach to the development of training and employment opportunities on the AHEP project.

#### **Projects include**

- Community Ambassadors
- Pre-Employability Training
- Apprenticeship Opportunities
- Returnships
- Work Experience Placements
- Workforce Training

Further information can be found at: [www.ahep.co.uk/CommunityBenefit.aspx](http://www.ahep.co.uk/CommunityBenefit.aspx)



## 6e. TRANSPORT



Two transport projects are being progressed within the City Region Deal, the **Strategic Transport Appraisal, and External Links to Aberdeen South Harbour**.

### PARTNERS

The Transport Working Group is made up of the following organisations: Transport and Planning Officers from both Aberdeen and Aberdeenshire Councils, Nestrans, and Transport Scotland. Transport Scotland have remained a key partner within the CRD Transport Working Group since its first meetings in summer 2016. Joint working has shaped the partnership approach, and also how both the modelling and appraisal work has been undertaken.

### STRATEGIC TRANSPORT APPRAISAL

The Strategic Transport Appraisal is taking a 20 year strategic view of the transport implications of the investment unlocked by the Deal across all modes of transport including road and rail. The appraisal is supporting decision-making regarding the development and prioritisation of future transport investment in the region, informing regional investment plans for transport infrastructure, local and regional spatial planning decisions, and national strategies and programmes of work. Two streams of work have progressed. The ongoing development and appraisal of options, and the update of the ASAM transport and land use model.

### MILESTONES

ASAM* – Finalise Interim upgrade	Complete October 2017
Strategic Transport Appraisal – Problems and Opportunities Study	Complete June 2018
Strategic Transport Appraisal – Commence Options Generation and Sifting	Complete August 2018
Strategic Transport Appraisal – Options Generation and Sifting	Complete July 2019
Strategic Transport Appraisal – Commence STAG1 Appraisal of Options	Complete Oct 2019
ASAM* – Commence Upgrade – Post Aberdeen Western Peripheral Route (AWPR) opening	Complete August 2019
Strategic Transport Appraisal – Complete STAG 1 Appraisal of Options	May 2020 for draft

ASAM* – Complete Upgrade – Post AWPR Opening	November 2020
Strategic Transport Appraisal – Commence STAG 2 Appraisal of Options	January 2021
Strategic Transport Appraisal – Complete STAG 2 Appraisal of Options	April 2022
Strategic Transport Appraisal – Commence Business Cases	April 2022

\* Aberdeen Sub-Area Model (ASAM)

#### **FINALISATION OF WORK ON OPTION GENERATION AND SIFTING**

Consultants Jacobs were commissioned to continue work on the pre-appraisal aspects of the Strategic Transport Appraisal, being asked to work with stakeholders to develop a long list of interventions, and then to sieve them with respect to the agreed transport objectives. This work was reported to the City Region Deal Joint Board, Nestrans Board, and Council Committees between June and September 2019.

#### **COMMISSIONING OF WORK ON INITIAL APPRAISAL OF LONG LIST OF OPTIONS**

The long list of options requires an initial appraisal to refine the content and packaging of options and assist with prioritisation and the most appropriate delivery routes. STANTEC were commissioned in October to undertake this work, informed by the new National Transport Strategy which was published early in 2020. The work is currently at a draft stage, prior to consideration at relevant committees, and consultation as part of the Regional Transport Strategy.

#### **SUPPORTING THE DEVELOPMENT OF THE NEW REGIONAL TRANSPORT STRATEGY**

The outcomes from the initial appraisal on the Strategic Transport Appraisal is forming the evidence based for the draft Regional Transport Strategy, which is currently in preparation, aiming for consultation later in 2020. This reflects the integrated approach being taken for the development of the Strategic Transport Appraisal, ensuring that the work undertaken informs and complements the wider development of associated documents, as well as identifying the key projects required to achieve the objectives of the City Region Deal.

#### **SUPPORTING TRANSPORT SCOTLAND'S STRATEGIC TRANSPORT PROJECTS REVIEW**

The success of the CRD Transport Working Group in facilitating progress on regional transport planning has been recognised by Transport Scotland, who have used the model developed in the North East to inform regional partnership approaches for their Strategic Transport Projects Review (STPR) consultation process. Work in the north east on Strategic Transport Appraisal has put it ahead of some other parts of Scotland, but close liaison has been maintained with the STPR team during this period.

#### **INFORMING THE LOCAL DEVELOPMENT PLANS**

A key objective of the Strategic Transport Appraisal was “tying together transport infrastructure and development planning/management, on a city/region basis”. One way that this has been progressed is the use of emerging outcomes from the Strategic Transport Appraisal, and use of the CRD funded strategic transport model to test the impact of future housing and employment allocations on the regional transport network. This work is now providing a robust evidence base for the Local Development Plans being progressed by both the Aberdeen City and Aberdeenshire Councils.

#### **UPDATE OF ASAM TRANSPORT AND LAND USE MODEL**

February 2019 saw the full opening of the Aberdeen Western Peripheral Route and Balmedie to Tipperty dualling project. This brought significant changes on travel patterns regionally, and one focus of the 2019/20 year has been capturing these changes. During Autumn 2019 an extensive programme of traffic, and public transport surveys were undertaken, which was integrated with other programmes of work (including A96 dualling, and Low Emission Zone development). This information, combined with other information on trip patterns, is now being used to produce a 2019 Base Year update of the model, and future year forecasts. This will be used to test the effectiveness and impacts of proposed packages of interventions currently being developed within the Strategic Transport Appraisal. This will benefit subsequent work on national strategic transport projects review, but also the regional transport strategy.

#### **COMMUNITY ENGAGEMENT**

The first phases of the strategic transport appraisal has required broad community and stakeholder engagement to understand the key problems and opportunities related to the north east's transport network. To this end, extensive engagement exercises were undertaken, comprising of A similar exercise was undertaken to help develop the long list of potential interventions, with work focusing on stakeholder and Elected Member workshop sessions. The format and representation of these session was found to be very useful, and this approach is now being rolled out across Scotland as part of Transport Scotland's Scottish Transport Projects Review.

#### **EXTERNAL LINKS TO ABERDEEN SOUTH HARBOUR**

The Transport Links to Aberdeen South Harbour is developing the initial options to determine the most appropriate external road improvement in relation to external transportation links to the Aberdeen South Harbour Development at Bay Of Nigg.

Consultation follows established guidance (Transport Scotland’s Scottish Transport Appraisal Guidance).

- Individual and small group face to face discussions
- Public internet survey Stakeholder
- workshop discussion including NHS, Disability Forums, Youth Groups, small business interests, alongside transport providers such as bus companies and train service providers
- Community council surveys
- Elected Member workshops, with MPs, MSPs, and Council Members

**EFFECTIVE PUBLIC AND STAKEHOLDER CONSULTATION ON EMERGING OPTIONS**

Stakeholder and public engagement exercises were held as part of the STAG Pre-appraisal and Part 1 process. The stakeholder engagement exercises were repeated in 2019/20 as part of the STAG Part 2 appraisal with a public consultation programmed for autumn 2020.

**UPDATE OF STAG PART 2 STUDY, ON THE DETAILED APPRAISAL OF THE REMIANING OPTIONS**

Continuing appraisal of the four options taken forward to next stage (STAG Part 2) of appraisal work.

**ENSURING CO-ORDINATION BETWEEN CRD STUDY, AND ONGOING WELLINGTON ROAD STUDY**

Opportunity has been taken to align the programme, appraisal process, and future consultation activities with the Wellington Road Corridor study.

**ONGOING STAG PART 2 STUDY**

Stantec consultants are continuing to take forward the STAG Part 2 study, following on from their work on STAG Part 1. The STAG Part 2 study is appraising public transport, active travel and road options identified during the STAG Part 1 process to a greater level of detail.

Key issues being investigated are the crossing of the rail line, impact on road network, impact on landfill site, and wider community impacts (including loss of green space). It is also considering the wider land use opportunities provided by the approval of the Energy Transition Zone in the Local Development Plan. It is anticipated that the outcomes from the STAG Part 2 Appraisal will be reported towards the end of 2020.

**Milestone Timescales**

Inception and Project Management	Complete
Remobilisation and Option Scoping	Complete
Transport Planning Objectives Review	Complete
Case Study Review	Complete
Geo-environmental and Geo-technical inputs	Complete
Engineering Feasibility and costings	Complete
Public Transport Feasibility and Costings	Complete
Phase 2 Engagement	Complete
Development of Demand Scenarios	Complete
Model development and option testing	May 2020
STAG Part 2 Appraisal	June 2020
Phase 3 Public Consultation	August 2020
Draft STAG Part 2 Report	August 2020
Final STAG Part 2 Report	September 2020
Committee Reporting November	September 2020

## 6f. DIGITAL CONNECTIVITY

### **Digital Update**

The Aberdeen City Region Deal is supporting an increased delivery of ultrafast fibre connectivity and a region wide sensor network. This investment will also feed a regional data platform from which business, residential and public services can develop innovative applications.

Improving the region's digital infrastructure is key to the long-term future of the local economy. It will drive innovation through the better use of physical and digital assets to enhance public and private service delivery, to tackle inequality and to improve social outcomes.

The City Region Deal provides the opportunity to create a sustainable infrastructure from which the region can transform into a world class digital area. At the core is the need to deliver ultrafast connectivity and use this to grow existing businesses; attract further investment; create new businesses; deliver excellent public services; support mobility and protect the environment; and enhance the area's attractiveness as a place to live and work.

### **DCMS Connection Voucher Schemes**

In addition to the CRD-funded projects, Connection Voucher schemes will assist in the uptake of gigabit capable connections via retail internet service providers catering for the residential and business markets. Funding of up to £3000 per SME and £500 per residence is available to retail internet service providers (ISPs) who provide gigabit capable connections. These schemes are administered by DCMS and are promoted to end users and ISPs by direct contact, via trade bodies and on social media.



## PARTNERS

The Digital Programme is supported by a Digital Working Group made up of expertise and representation from Digital, Roads and Business Intelligence Teams from Aberdeen City and Aberdeenshire Council. The NHS, Aberdeen & Grampian Chamber of Commerce, Opportunity North East, Robert Gordon University, Aberdeen University, Data Lab and Censis.

## THE PROGRAMME CURRENTLY CONSISTS OF 5 PROJECTS

### Infrastructure – Digital

There are five projects identified to improve digital infrastructure in the Aberdeen City Region, with varying geographic implications:

- City Network Extension (City-wide Fibre Connectivity) - Aberdeen City
- Duct Network Extension – Aberdeen City
- Full Fibre Infrastructure (Gigabit Connectivity). Aberdeen City and Aberdeenshire
- Sensor Network – Aberdeen City and Aberdeenshire
- Regional Data Exchange – Aberdeen City and Aberdeenshire

### Headline Achievements

- The Design work for Phase 1 of the Duct Network Extension has been completed and procurement is underway
- Full Fibre Infrastructure tender has been undertaken. As part of this work a Gigabit Connectivity Framework was developed which is the first of its kind in Scotland. The project will also result in an increased footprint of fibre across the City Deal Region. This may act catalyst for further investment by commercial parties to build off this network to provide fibre to our homes and businesses.

### Project Updates

#### 1. CITY NETWORK EXTENSION PROJECT – ABERDEEN GIGABIT CITY

The Aberdeen City Council fibre network will be extended to 57 additional sites across the City. This has successfully stimulated private sector investment of up to £40 million by City Fibre and Vodafone. Building on the Council's fibre network, City Fibre will utilise this to extend and deploy 800km of fibre within Aberdeen City, providing the majority of the City with access to 'fibre to the premises' at gigabit speeds.

CityFibre's Fibre-To-The-Premises (FTTP) transformation project is quickly building momentum. Until recently, most businesses and homes were connected through old-fashioned copper wires which was slow and unreliable. With FTTP however digital connectivity and speeds are greatly improved, in turn helping to improve businesses and allowing individuals the greater ability to work from home and stream entertainment. This work also helps provide the platform for Aberdeen to become a fully 'Smart City'.

Since CityFibre's announcement of £40 million private investment in Aberdeen City in 2018 (delivered in partnership with Vodafone) there has been significant progress. Works have been undertaken, or in process, in Kincorth, Torry, Northfield, Middlefield, Garthdee, Ferryhill, Hilton, Ashgrove, Cornhill and Bridge of Don.

#### Current Update

Since work started on 23rd July 2018 on the network build in the City thirty of the fifty-seven Aberdeen City Council corporate sites have now been connected. All the sites are due to be completed in 2020, however the programme for scheduled works has been impacted by the COVID-19 outbreak.

Build Starts	Completed July 2018
10 sites connected	Completed December 2018
14 sites connected	Completed July 2019
30 sites connected	Completed February 2020
40 sites connected	July 2020
Payments to Capita on completion of 75% connected	August 2020
50 sites connected	September 2020
57 sites connected	October 2020
Final payments	November 2020
Project completed	December 2020

## Benefits

Timing additionality – securing a level of investment sooner than would otherwise occur without the proposed project
Scale additionality – securing a level of coverage and future roll-out on a scale that would not occur without the proposed project
Transformation of Aberdeen City into one of the UK’s most connected Cities within two years
Lays the platform for further connectivity, such as 5G and the internet of things Introduces competition in the area, thereby reducing the cost of connectivity to citizens and businesses
Lays the foundation for expansion into key Aberdeenshire economic development locations

### Project 2 - Full Fibre Infrastructure

Building on what has been achieved in the City Network Extension project, an aggregated public sector demand approach is being taken to extend fibre further into the City Region. This will be primarily achieved by connecting Aberdeenshire Council sites (with NHS and City sites being a beneficiary) to dark fibre. This will enable public services to be delivered to the community that will result in improved delivery of education, health, transport and other services.

The project will also result in an increased footprint of fibre across the City Deal Region. This may act catalyst for further investment by commercial parties to build off this network to provide fibre to our homes and businesses.

Suppliers were invited to tender for new ‘Gigabit Connectivity’ procurement framework. Responses were evaluated and successful bidders are now appointed as Framework Suppliers. The call off contract has been signed with the successful bidder, with works to commence in early June.

Contract notice issued	Completed May 2019
Return of responses	Completed June 2019
Evaluation of responses	Completed July 2019
Announcement of successful bidders for the framework	Completed July 2019
First call of contracts issued	Completed August 2019
Preferred bidder informed	Completed December 2019
Contract signed	Completed March 2020
Implementation starts	April –May 2020
Network build starts	June 2020
Network build complete	December 2020 (will be delayed due to COVID-19)

### Benefit

Benefit	Measures
Businesses and homes will have access to ultrafast digital services	No. of businesses passed by fibre (within 50 metres) No. SMEs connected to and number of residential homes passed
Increased number of premises within Aberdeenshire to be addressable by full fibre (within 200 metres)	No. of urban premises Number of rural premises
Invest in ultrafast fibre along the development corridors to key employment centres and leisure locations	Fibre along primary travel to work routes

### Project 3- Duct Network Extension

Initially this duct network would be for Council use, followed by engagement with commercial organisations to encourage them to utilise the expanded network to enhance their fibre offering in Aberdeen City, consequently stimulating the market. This project will also provide the enabling infrastructure for the proposed sensor network and provide the opportunity for Aberdeen City to be used as a test-bed for autonomous vehicles and also support 5G installations.

### Current Status

During late 2019 and early 2020 design works were successfully completed by Aberdeen City Council Officers for the Phase 1 connection west route connection (A944) and the procurement for Phase 1 has been undertaken and the successful bidder

selected. Due to the coronavirus the tender period was extended to the 9<sup>th</sup> of May 2020 due to this being an unprecedented event and the subsequent consequences on businesses.

Review of business case by the Scottish Government	January 2019
Implementation team appointed	February 2019
Begin Design phase	February 2019
Complete Design phase	February 2020
Begin procurement – Contract One	March 2020
Procurement Award – Contract One	June 2020
Begin Implementation – Contract One	August 2020
Begin Procurement – Contract Two	September 2020
Procurement Award – Contract Two	December 2020
Begin Implementation – Contract Two	February 2021
Duct Network Completed	February 2023

#### Benefits

Benefits	Measures
Stimulate the market to increase competition	No. of communication providers in the local market
Quickly deploying 5G small-cell	No. of small-cell communication sites Uptake of 5G Cost of 5G
Early adoption of autonomous vehicles	No. of suppliers testing autonomous vehicles in Aberdeen
Cost-effective Enabling Digital Infrastructure	Ducts along primary travel to work routes Implement smart transport network No. of duct partners (e.g. NHS, Police, Universities, etc.)

#### Project 4 - Sensor Network

Currently, within Aberdeen City there is a network of over 1,000 sensors which are used to manage traffic flow, monitor the environment, etc. The Sensor Network project in CRD is expected to expand this existing network to:

- enable better transport management (both private and public sector)
- facilitate smart travel and autonomous vehicles
- provide data to feed the Regional Data Exchange (Project 5)
- enable anonymised data to be made available for delivering public and commercial services more efficiently

The scope of a sensor network is wide-ranging and it is important to investigate the opportunities, limitations and requirements on the communications network before proceeding with its deployment as it will not be possible to include all sensors at once, rather can build the network over time as and when funding becomes available.

#### Current Status

An outline business case was approved by Joint Committee in February 2018 to allocate £150,000 for the development of the business case for this project. Following a presentation from IBI to the working group, Programme Board and key stakeholders the SCOPE has further being defined for the Consultants, who are contracted to develop the business case, and a revised date for Business Case completion is November 2020.

Milestone	Timescale
Contract awarded for the provision of services to deliver a full business case	February 2019
Project inception meeting	March 2019
Stakeholder engagement meetings	May 2019
Stakeholder Workshops	June 2019
Progress update presentation	August 2019
Revised date set for Business Case completion	November 2020

#### Benefits

Enhanced awareness: sensors can be deployed in buildings and roads to report on real-time conditions such as temperature, air quality and congestion enabling traffic managers and facilities managers to make data led decisions on strategy and maintenance
Rapid control and response: sensor networks can be beneficial for the real-time sensing of unpredictable conditions allowing resources to be targeted more effectively in situations as varied as waste bin collections to the detection and response to flooding
Trend identification: sensor networks can be used to identify trends in citizen interests, concerns, and needs ensuring that the services and facilities offered better match their needs
Data-driven decision analytics: this allows statistical analysis of data collected from sensors to detect anomalies and predict conditions

All of this offers endless possibilities to enable stronger decision-making, enhancing the lives of residents by reducing costs and improving services as well as forecasting and planning for the future. An effective and well planned sensor network can also contribute to the economic success of the region by providing a reliable data pool of information. Businesses are better able to make informed decisions through data analytics, encouraging investment and innovation.

### **Project 5 - Regional Data Exchange**

The UK Government and Scottish Government have commissioned a number of studies assessing the economic value of making public sector data open and accessible. These studies concluded that UK-wide the direct benefits are around £1.8 billion per year and the indirect benefits are around £5 billion per year. The Regional Data Exchange will support transactions of data between participating stakeholders with an aim to establish an operational market in regional data and the development of innovative applications.

#### **Current Status**

An outline business case was approved by Joint Committee in February 2018 to allocate £150,000 for the development of the business case for this project. Following a presentation from IBI to the working group, Programme Board and key stakeholders the SCOPE has further being defined for the Consultants, who are contracted to develop the business case, and a revised date for Business Case completion is November 2020.

<b>Milestone</b>	<b>Timescale</b>
Contract awarded for the provision of services to deliver a full business case	February 2019
Project inception meeting	March 2019
Stakeholder engagement meetings	May 2019
Stakeholder Workshops	June 2019
Progress update presentation	August 2019
Revised date set for Business Case completion	November 2020

#### **Benefits**

More efficient delivery of council services
Improved health and accessibility of services
More efficient use of resources
New innovative developments of apps and services leading from new external data
Stimulating growth through new insights (data)
Attractive environments for start-ups and better use of regional assets
Greater access to services and information

## **7. CHALLENGES, OPPORTUNITIES AND NEXT STEPS**

<b>PROJECT</b>	<b>CHALLENGES</b>	<b>OPPORTUNITIES</b>
The Oil and Gas Technology Centre	Access to additional funding opportunities	There is an opportunity for the OGTC to respond and play a key role in the Net Zero Carbon agenda

	Oil Industry reducing spend due to oil price crash, may result is less opportunities to work on new technology	Active engagement on cross industry net zero projects
BioHub	Programme and cost implications in building construction in light of COVID-19	To ensure the BioHub can deliver new digital and biomanufacturing requirements post-COVID.
Food Hub - SeedPod	Programme and cost implications in building construction in light of COVID-19	Advanced manufacturing and automation.
Aberdeen Harbour Expansion	To complete works at Aberdeen South Harbour after the impact of COVID19 and subsequent delays.	To ensure the wider development zone in the immediate vicinity of Aberdeen South Harbour at Altens/East Tullus is utilised to meet the needs of the region. The Energy Transition Vision and Infrastructure Plan was approved at Committee on May 4 <sup>th</sup> 2020. The regional Partners are working together to respond to the FreePorts Harbour Consultation.
Transport Links to Aberdeen South Harbour	Maintain the pace of the options appraisal in light of the significant public and stakeholder interest. Public consultation events have confirmed the interest that surrounding communities have in the project and their sensitivity to potential adverse impacts of the specific route options.	Improve Transport Links will be important to realising our Energy Transition Vision as well as enhanced tourism.
Strategic Transport Appraisal	<p>Work is being undertaken within a busy and evolving landscape, at the same time as reviews of transport and land use policy and projects at local, regional and national level. The Impact of COVID 19 will also need to be considered.</p> <p>There is also a risk that some of the previously identified problems, opportunities and priorities may require to be re-visited, or re-profiled, during the recovery phase of COVID 19 due to impacts on wider economy and capital / revenue availability.</p>	There is clear opportunity for the Appraisal to deliver multiple benefits across all agencies based on an early identification of regional transport priorities.
Digital Infrastructure	<p>To continue to attract additional commercial investment in digital infrastructure and gigabit solutions for the most remote and isolated parts of the region.</p> <p>To identify areas not covered in line with unknown Government future plans.</p>	<p>Acting as a test-bed location for 5G investment, including in rural areas and inshore waters.</p> <p>To revisit the Digital programme projects to ensure projects are aligned to the regions priorities.</p>

## NEXT STEPS

PROJECT AREA	NEXT STEPS
Programme Management Office	<p>To work with UK/SG to address the challenges of COVID 19 and understand what flexibility can be given around delayed milestones and drawdown of payments due to delays caused by COVID19</p> <p>To work with UK/SG to address the Benefits outlined in the Deal Document 2016 and the impact of COVID19 on key benefit measures such as GVA and Jobs Created</p> <p>To work with UK/SG to discuss opportunities within Digital and Housing Programmes to meet the regions needs in light of COVID19.</p>
The Oil and Gas Technology Centre	To agree with UK/SG at Checkpoint Review future priorities and milestones.
Transport	The impact of COVID 19 cannot be wholly mitigated by the project, but at the earliest possible time, a revised programme will be developed.
Digital	<p>Now, more than ever, have we come to realise the importance of digital infrastructure and connectivity during the recent COVID-19 outbreak. This has enabled many of the workforce to continue to work-from-home (wherever possible) as well as to help many businesses to adapt and survive this unprecedented event. Not only that, but it has allowed individuals and businesses to access vital support, important information as well as apply for support funding. Post lockdown the UK we are likely to see a shift in how we work, especially if social distancing is still likely to be place for a considerable time, and digital will continue to play a major role in our national and regional economy as businesses continue to undergo their digital transformation.</p> <p>This emphasises the importance of the digital projects being undertaken as part of our City Region Deal; ensuring digital connectivity and an excellent digital infrastructure for our region. This will help allow build the foundation for greater digital transformation and new opportunities for businesses to respond to the changed economic landscape not just in the UK but also globally. We will continue to work with key partners and our digital working group to provide additional value and benefit to Aberdeen City Region, and to seek digital solutions to help support our regional economy.</p>
BioHub	Award construction contract and start on site.
SeedPod	Approve concept design and move to tender of construction contract

## 8. COMMITTEE, BOARD AND MANAGEMENT

### THE ABERDEEN CITY REGION DEAL JOINT COMMITTEE 2019-20

Cllr Jim Gifford, Chairperson of the Joint Committee and Leader of Aberdeenshire Council  
Cllr Jenny Laing, Vice Chairperson of the Joint Committee and Co- Leader of Aberdeen City Council  
Cllr Douglas Lumsden, Co-Leader of Aberdeen City Council  
Sir Ian Wood KT GBE, Chairman, Opportunity North East  
Cllr Marie Boulton, Aberdeen City Council  
Patrick Machray OBE, Opportunity North East  
Cllr Peter Argyle, Aberdeenshire Council  
Cllr Richard Thomson, Aberdeenshire Council  
Professor Stephen Logan, Opportunity North East

### THE ABERDEEN CITY REGION DEAL PROGRAMME BOARD 2019-20

Richard Sweetnam, Chair of the Programme Board and Chief Officer - City Growth, Aberdeen City Council  
Stephen Archer, Director of Infrastructure Services, Aberdeenshire Council  
Alan Wood, Head of Finance, Aberdeenshire Council  
Belinda Miller, Head of Economic Development & Protective Services, Aberdeenshire Council  
David Rennie, Head of Partnerships, Scottish Enterprise  
Rab Dickson, Director, Nestrans  
Jess Anderson, Governance Team Leader, Legal Services, Aberdeen City Council  
Jennifer Crow, Chief Executive, Opportunity North East  
Sarah Rochester, Communications & Marketing Manager, Aberdeenshire Council  
Nicola McIntosh, Oil & Gas Technology Centre Lead  
Julie Wood, Programme Manager, Aberdeen City Council

### THEME LEADS 2019-20

Wendy Robertson, Digital Lead, Aberdeen City Council  
Paul Finch, Transport Lead, Aberdeenshire Council  
Nicola McIntosh, Oil & Gas Technology Centre Lead  
Lindsay McKenzie, Bio-Therapeutics Hub for Innovation and Food Hub for Innovation Lead, Opportunity North East  
Jon Oakley, Aberdeen Harbour  
John Lovie, Accountant, Finance, Aberdeenshire Council

## 9. CONTACTS

For more information visit:

**[abzdeal.com](http://abzdeal.com)**

**[investaberdeen.co.uk](http://investaberdeen.co.uk)**

To view the Regional Economic Strategy Action Plan visit:

**[www.bit.ly/RESactionplan](http://www.bit.ly/RESactionplan)**

WHO TO CONTACT:

Aberdeen City Region Deal

Julie Wood - [JRichardsWood@aberdeencity.gov.uk](mailto:JRichardsWood@aberdeencity.gov.uk)

Programme Manager



Exempt information as described in paragraph(s) 6 of Schedule 7A of the Local Government (Scotland) Act 1973.

Document is Restricted

This page is intentionally left blank

Exempt information as described in paragraph(s) 6 of Schedule 7A of the Local Government (Scotland) Act 1973.

Document is Restricted

This page is intentionally left blank