

# 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
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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.
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