

ABERDEEN CITY REGION DEAL:

Powering Tomorrow's World

ABERDEEN, 24 July 2020. Minute of Meeting of the ABERDEEN CITY REGION DEAL JOINT COMMITTEE. Present:- Councillor Jenny Laing, Chairperson; Councillor Jim Gifford, Vice-Chairperson; Councillors Marie Boulton, Douglas Lumsden, Peter Argyle and Gwyneth Petrie; Professor Stephen Logan, Sir Ian Wood and Jennifer Crow (as substitute for Mr Patrick Machray, OBE).

The agenda, reports and meeting recordings associated with this minute can be located [here](#).

Please note that if any changes are made to this minute at the point of approval, these will be outlined in the subsequent minute and this document will not be retrospectively altered.

DETERMINATION OF EXEMPT BUSINESS

1. The Chairperson proposed that the Joint Committee consider item 8 (Aberdeen City Region Deal – COVID 19 Assessment – Exempt Appendix) with the press and public excluded.

The Committee resolved:-

in terms of Section 50(A)(4) of the Local Government (Scotland) Act 1973, to exclude the press and public from the meeting at item 8, so as to avoid disclosure of information of the classes described in paragraph 6 of Schedule 7(A) to the Act.

DECLARATIONS OF INTEREST

2. Members were requested to intimate any declarations of interest in respect of the items on today's agenda, thereafter the following were intimated:-

- (1) Councillor Lumsden declared an interest in item 7 (Aberdeen City Region Deal – COVID 19 Assessment) by virtue of him being a Council appointed Board Member of NHS Grampian. He considered that the nature of his interest did not require him to leave the meeting during the consideration of this item;
- (2) Jennifer Crow and Professor Stephen Logan declared an interest in item 7 (Aberdeen City Region Deal – COVID 19 Assessment) by virtue of them being Members of Bio-Aberdeen Board and Directors of Opportunity North East. They considered that the nature of their interest did not require them to leave the meeting during the consideration of this item; and
- (3) Sir Ian Wood declared an interest in item 7 (Aberdeen City Region Deal – COVID 19 Assessment) by virtue of him being a Director of Opportunity North East. He

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considered that the nature of his interest did not require him to leave the meeting during the consideration of this item.

CHANGES TO THE MEMBERSHIP OF THE JOINT COMMITTEE

3. The Joint Committee had before them a notification of two changes to its membership as follows:-

Councillor Gwyneth Petrie to replace Councillor Richard Thomson as a substantive member.

Councillor Ann Ross to replace Councillor Colin Pike as a named substitute.

The Joint Committee resolved:-

- (i) to welcome Councillor Petrie to her first meeting; and
- (ii) to otherwise note the changes to the membership.

MINUTE OF PREVIOUS MEETING OF 5 JUNE 2020, FOR APPROVAL

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

With reference to article 7 (Memorandum of Understanding – Housing), the Joint Committee were advised (1) that a meeting was scheduled with the Scottish Government in August and a report would be submitted to the Joint Committee thereafter; and (2) that both Council's Housing Leads had met recently to discuss the original Plan A and also a more substantive Plan B.

With reference to article 10 (Memorandum of Understanding – Transport), the Joint Committee were advised that Transport Scotland had provided an Options report, however officers were still awaiting costings, which would be provided to a future meeting of the Joint Committee.

The Joint Committee resolved:-

- (i) to note the updates provided; and
- (ii) to approve the minute as a correct record.

ACRD FUNDING UPDATE WITH UK AND SCOTTISH GOVERNMENTS

5. With reference to article 5 of the minute of the previous meeting of 5 June 2020, the Joint Committee had before it a report by the Programme Manager, which provided an update in relation to various communications with the UK and Scottish Government's regarding the Deal's funding, including:-

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- Roll-over of funding risks and mitigation;
- Proposals on how financial governance can support cashflow;
- To submit an updated Profile of Spend (Appendix A);
- To submit opportunities to accelerate spend this financial year; and
- Verbal update for Deals to capitalise resource where possible Aberdeen City Region Deal.

The report recommended:-

that the Joint Committee –

- (a) agree the options ‘Cashflow Options for all projects’ outlined in Section 3.1.v of the report; and
- (b) agree with the proposed solution to Scottish Government, outlined in Section 3.2 of the report, ‘Proposals for improved Financial Governance’, of an annual payment of the sum set out in the Grant Letter at the start of each financial year.

Alan Wood, Aberdeenshire Council provided details of the key issues from the report and responded to a number of questions from members of the Joint Committee.

The Joint Committee resolved:-

- (i) to approve the recommendations; and
- (ii) that officers include details of the ‘in-kind’ direct support funding costs provided by both Council’s in a future report to the Joint Committee.

ABERDEEN CITY REGION DEAL - COVID 19 ASSESSMENT

6. With reference to article 7 of the minute of the previous meeting of 5 June 2020, the Joint Committee had before it a report by the Programme Manager which provided details of the specific challenges, mitigations and additional support for each of the City Region Deal projects, including how each project could be progressed.

The report recommended:-

that the Joint Committee –

- (a) agree with the option in 3.4 of the report, that the Bio-Hub Board continue to seek additional funding from other sources and until such time, a Project Fund is made available in 2021/22 from the Aberdeen City Region Deal envelope and others funding. The partners agree that this should be treated as a temporary arrangement and there are risks and implications to projects should additional funds not be found; and
- (b) agree that as the long-term impact of COVID-19 remains unclear, projects should continue to plan, monitor, and report the impact on projects, especially in relation to procurement and construction plans and expected private sector and other funding within the Deal Budget Profile. This should be discussed at Annual Review with UK and Scottish Government’s.

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The Joint Committee heard from the Programme Manager and discussed the report content in detail, noting the following:-

- that there had been significant increased construction costs pre-COVID which required to be monitored across all projects; and
- that representatives from Aberdeen Harbour Board were invited to attend a future meeting of the Joint Committee to provide an update on the current progress in relation to the construction of the new South Harbour.

The Joint Committee resolved:-

- (i) to agree that they remain fully committed to the Aberdeen Bio-Hub project and all the projects in the Aberdeen City Region Deal;
- (ii) to note that additional funding had been made available to similar projects in Scotland;
- (iii) to defer the decision until Senior Officers of the City Region Deal had met with the Chair and Deputy Chair of the Scottish City Region & Growth Deal Delivery Board early August 2020 to discuss the recommended option above, and the risks and implications to UK and Scottish Government's projects should additional funds not be found;
- (iv) to bring forward the 4th September Joint Committee meeting to 21st August 2020 at 9.30am to allow a decision to be made;
- (v) to encourage Deal partners and stakeholders to continue to seek additional funding sources across all projects; and
- (vi) to approve the recommendation at (b) above.

In accordance with the decision recorded under article 1 of this minute, the following item of business was considered in private with the press and public excluded.

ABERDEEN CITY REGION DEAL - COVID 19 ASSESSMENT - EXEMPT APPENDIX

7. With reference to article 6 of this minute, the Joint Committee had before it an exempt report which provided details in relation to the BioHub located on Aberdeen's Foresterhill Health Campus.

Officers responded to a number of questions from members of the Joint Committee.

The Joint Committee resolved:-

to note the details contained within the exempt appendix.

- **COUNCILLOR JENNY LAING, Chairperson.**