

ABERDEEN CITY REGION DEAL:

Powering Tomorrow's World

COMMITTEE	Aberdeen City Region Deal (ACRD) Joint Committee
DATE	15 November 2024
EXEMPT	No
CONFIDENTIAL	No
REPORT TITLE	Scottish Government Additional Investment Update – Transport Projects
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1:	Purpose of the Report
<p>i. To update the Aberdeen City Region Deal Joint Committee on the progress of projects being taken forward through the additional Scottish Government investment announced alongside the Aberdeen City Region Deal. This report covers progress on the A90/A937 Laurencekirk Junction Improvement Scheme and the investment in the rail network to improve services between Aberdeen and the Central Belt. Transport Scotland's update reports are provided as Appendices to this cover report.</p>	

2:	Recommendations for Action
<p>It is recommended that the Joint Committee:</p> <p>i. Note the update in the report.</p>	

3:	Summary of Key Information
<p>Governance</p> <p>i. Funding for the two transport projects was announced alongside the City Region Deal by the Scottish Government. These projects are wholly funded by the Scottish Government and are being managed by Transport Scotland. The Memorandum of Understanding notes:...</p>	

3: Summary of Key Information

“The transport commitment that forms part of the package of additional Scottish Government investment alongside the City Region Deal is:

- An initial £200 million additional funding to help improve journey times and increase capacity on key rail links between Aberdeen and the Central Belt: and*
- £24 million of funding for the trunk roads programme to support improvements to the key A90/A937 south junction at Laurencekirk.*

There is value in ensuring that the Aberdeen City Region Deal Joint Committee is kept informed of progress with these projects to that it can maximise synergies with the City Region Deal investments.”

- ii. Officers from Transport Scotland have attended the Joint Committee on a six-monthly basis to provide updates on the progress of the projects, typically the May/June and November joint committees.
- iii. Both of the Transport Projects have accompanying stakeholder liaison groups. In the case of the Aberdeen to Central Belt group, these meet quarterly, with the last meeting being 17 September 2024. For the Laurencekirk project, the last meeting of the group was held late 2021, although regular communications between Aberdeenshire Council and Transport Scotland have continued since this time. Given the passing of time, and some recent progress, officers are seeking to arrange a stakeholder meeting in early 2025.
- iv. In addition, the CRD Transport Working Group meets approximately every 6 weeks, and the two MoU Transport Projects are included on the agenda as a standing item. Representatives from Transport Scotland attend this meeting and provide a point of liaison with the respective road and rail project teams.
- v. As reported to the May 2024 Joint Committee, during evidence provided to the Scottish Parliament’s Net Zero, Energy and Transport Committee on 30th January 2024 by the Cabinet Secretary, (related to Budget Scrutiny for Financial Year 24/25), it was confirmed that aspects of the programme for the Aberdeen to Central Belt were now under review. Following correspondence and further updates, it has been confirmed that the Scottish Government continues its commitment to both projects, but that a programme review is necessary due to wider budgetary constraints across the Scottish Government.

Aberdeen to Central Belt Rail Improvements

3:	Summary of Key Information
	<ul style="list-style-type: none"> i. Appendix A presents the progress update provided by Transport Scotland. ii. Officers have continued to liaise with both Network Rail and Transport Scotland including at the project stakeholder meeting in September 2024, and via wider regional rail liaison meetings. An update was also provided to the Nestrans Board held on 25 September 2024. Across each of these forums, the importance of delivering the improvements associated with Aberdeen to Central has been emphasised, as a means to unlocking journey time improvements, accessibility improvements, decarbonisation, and rolling stock renewal. Completion of the programme is also recognised as helping to unlock the region’s rail freight potential, and opportunities for local rail stations south of Aberdeen station. <p>A90/A937 Laurencekirk Junction Improvement Scheme</p> <ul style="list-style-type: none"> i. Appendix B presents the progress update provided by Transport Scotland. ii. Officers from Aberdeenshire Council have confirmed that their dialogue with TS continues on the project. Significantly, these discussions enabled Aberdeenshire Council to lift their formal technical objection to the scheme (related to Oatychill Bridge) in February 2024, and it is reported that all other objections have now been removed.
4:	Financial and Risk Implications
	<ul style="list-style-type: none"> i. There are no direct financial implications for the Joint Board arising from the progress report, as the two transport projects are directly funded and project managed by the Scottish Government / Transport Scotland. ii. With respect to A90/A937 Laurencekirk Grade Separated Junction project, it is important that partners continue to work together in order to minimise programme impact. iii. With respect to Aberdeen to Central Belt project, officers will continue to work with Network Rail and Transport Scotland on the progression of the project to enable the delivery of regional benefits.