

ABERDEEN CITY COUNCIL

COMMITTEE	Enterprise Planning and Infrastructure
DATE	29/08/13
DIRECTOR	Gordon McIntosh
TITLE OF REPORT	Funding Internal Audit update and Attendance at Overseas Exhibitions & Events
REPORT NUMBER:	EPI/13/112

1. PURPOSE OF REPORT

This report is to request permission for Councillors, Director Enterprise, Planning and Infrastructure and Officers to travel to overseas to attend various events

2. RECOMMENDATION(S)

That Committee approves travel and attendance at the following events and for exhibition space at the Hannover Show.

- Brussels – EU Open days 8th to 11th October – Two Officers
- Riga – Riga City Council Conference on “Smart Cities” 15th to 17th October – Two Officers – 50% costs covered by Riga City Council
- China – ICEI’s 1st Annual Conference of emerging Industries – 5th and 6th November 2013 - Two Officers – 25% of costs covered by ICEI with possibility of balance costs be covered by the State Administration of Foreign Experts Affairs in China
- Maastricht, Netherlands- The European Public Sector Awards- 25th - 27th November 2013, a member and an officer
- Tokyo – 10th International Hydrogen and Fuel Cell Expo – 26th to 28th February 2014 – Council Leader or nominee, HyTrEc Project Officer and Two Officers
- Hannover – The world’s Leading Trade Fair and Exhibition for Industry Technology – 7th to 11th April 2014 – Council Leader or nominee, HyTrEc Project Manager, Officer from the Trade Development Team and Two Officers from the Partnerships, Performance and Funding team – 50% of costs recovered from the EU HyTrEc project.
- Hannover – To take Exhibition space up to a maximum value of £10,000.00. 50% of costs recovered from the EU Funded HyTrEc project.

3. FINANCIAL IMPLICATIONS

The cost of travel and accommodation for the above will be £8,000 and for the exhibition space in Hannover will be £10,000. This includes travel accommodation and subsistence. This will be met from current service budgets. It must be noted that 50% of the costs incurred in attending and taking of exhibition space at the Hannover show will be recovered by the HyTrEc EU funded project.

4. OTHER IMPLICATIONS

European policy, representation and best practice supports the Council's objective of representing the interests of the people and organisations of Aberdeen within North East Scotland, the UK, and Europe. The Europe 2020 Strategy aims for a Smart, Sustainable and Inclusive Europe which is re-elected in the Council's 2011-2016 5 Year Business Plan. It also facilitates greatly the promotion of Aberdeen's City Vision, to be "a city which is vibrant, dynamic, forward looking – an even better place to live and work, where people can expect high-quality services that meet their needs". Showcasing this in prominent and well attended conferences and Exhibitions will encourage businesses to look at opening offices in Aberdeen.

5. BACKGROUND / MAIN ISSUES

The following provides an update of the internal audit of external funding and details of overseas exhibitions and events. Unless otherwise specified, the officers who will attend these events will be appointed by the Director of Enterprise Planning and Infrastructure.

5.1 Internal Audit

An internal audit was undertaken in September 2012 which found:

- Project objectives are not always clearly defined at the outset and used as a basis to measure progress during the lifecycle of certain projects
- Absence of risk management arrangements involving identification, assessment and mitigation actions for each project
- Absence of cost / benefit exercises to justify participation in projects including the assessment of the financial make-up of the project
- There is inefficient budgeting for projects and classifications within the financial ledger are inaccurate in certain instances
- Clarification of the nature and extent of planning tools to be utilised for managing projects with documented guidance prepared to cover the matter
- Preparation and presentation of project documentation required under each individual project partnership agreement is not always completed.

The following measures have been put in place as a result of the audit:-

- All new projects being developed by the External Funding team will ensure that project objectives were clearly defined at the outset, documented in a formal project brief and use as a basis for measuring progress during the lifecycle of a project.
- All new projects will be reported to EP&I Committee requesting approval to participate and will include a risk register, and yearly briefings to committee as to how these risks are being managed.
- A cost benefit exercise will be undertaken for each project and the results will be submitted to the EP&I committee when requesting approval to participate in a project.
- All projects will ensure that unique budgets are established for each project and will also ensure that the financial ledger accurately reflects the project income and costs.
- Project Officers will establish planning tools to be utilised for managing projects with documented guidance
- Project Officers will ensure that rules are established for each project to cover the records contracted under each grant's Partnership Agreement to ensure their method of filing and staff entitled to access these documents
- All staff within the Partnership, Performance and Funding team to be trained in PRINCE 2 Project Management (Foundation).
- For existing projects a filing system is planned to be implemented by 31 March 2014 with a scoring system for projects to which we lead to be put in place by 31st December 2013. These two items will be reported as part of the internal audit reporting.

5.2 Overseas Exhibitions and Events

Open Days

The 2013 EU Open days will enable stakeholders at regional and local levels to discuss their priorities for the 2014-2020 Funding periods. This event in Brussels is seen as one of the biggest opportunities for officers to look at the opportunities which are ahead and identify possible ways of working in collaboration to secure EU funds to support sustainable economic growth. The EU Open Days provides an opportunity to discuss project ideas and develop partnerships there are over 100 workshops scheduled to take place over the two days, with Smart Cities, and low carbon high on the agenda in many of these workshops. Aberdeen City Council is also a full partner in the HyER (Hydrogen Fuel Cells and Electro Mobility in European Regions) event "HyER Regions and Cities to Empower Electro Mobility. Aberdeen City Council has a speaking slot at this event.

Riga

The Director Enterprise, Planning and Infrastructure and the Senior Partnerships and Funding Officer have been invited to speak at the Riga City Councils conference on Smart Cities and EU Funding. The Riga City Council is looking to promote the Cities Economic Growth within the framework of the concept of "Smart Cities" by ensuring the recognition of Riga as an economical, dynamic, green and attractive City for inward investment and increasing its engagement in the European Union. Riga would like the City of Aberdeen to show its best practices especially how it looked at European Funding and have been so successful in obtaining EU funds. During this conference the Riga City Council will mainly focus on the topics for adoption of practical solutions that are suitable for the city to strengthen its Smart City status. It will also focus on Hydrogen and how this new technology could play a major role in the greening of Riga.

China

ICLEI's 1st annual International Conference of Emerging Industries will take place in Shenzhen and is fully supported by the State Administration of Foreign Experts Affairs in China. As an important partnership forum, the following topics Smart City, Smart Transportation, Smart Buildings, and Smart Health Care will be discussed with various municipalities around the world. Aberdeen City Council has been invited to speak and participate in the following forums "Smart City and Public Infrastructure / Innovations and how the City made use of External funds to deliver projects for a Smart City. The Director Enterprise Planning and Infrastructure and the Senior Partnerships, Performance and funding Officer have requested to speak at this event.

Maastricht, The Netherlands

Aberdeen City Council has been awarded by the European Public Sector Awards (EPSA), a Best practice certificate for its Economic Development Funding Strategy. This is the second EPSA award for best practice with the first being awarded for Leadership towards a low carbon economy in 2011.

EPSA received 230 applications from European Institutions from 18 European countries. Of the 47 institutions recognised for best practice, 17 come from the European and national level, 7 from the regional and 23 from the supra-local and local level. From the UK there are three recipients; the City of London, North Dorset District Council and Aberdeen City Council. The recipients have been awarded based on their ability to Weathering the (economic) storm – (demonstrating) creative solutions in a time of (economic) crisis.¹ The awards will be further judged for outstanding performance in categories of European and national level, Regional and Supra-local/ local level, recognising overall prize winners and nominees, as well as honourable mentions. The EPSA jury meets on 25 September 2013 to make their decision and best practice

¹ A list of recipients can be found from the following link-
http://www.epsa2013.eu/files/BP%20Recipients%20table_EPSA2013_FINAL.pdf

winners, prize winners, nominees, honourable mentions are advised accordingly.

The three day final event is should be attended by a member and an officer. This event will include in depth knowledge transfer from the outstanding performance projects, which provides practical and in depth information that is relevant to progressing Aberdeen City Council's Smarter Aberdeen agenda. The best practices, prize winners and nominees, as well as honourable mentions, will be presented during a three-day high-level final event and award ceremony in Maastricht (NL) from 25 until 27 November 2013. As a best practice winner the costs of the event are covered by EPSA with only travel and accommodation, which is available from existing budgets.

Tokyo

The 10th International Hydrogen Fuel Cell Expo is being held in Tokyo from the 26th to the 28th of February 2014. This Exhibition and Conference attracted over 75,000 visitors from all over the world last year and it is the largest Fuel Cell event in the world. The exhibition area is so large and attended by various Politician's and officers that it is essential to have a senior Politician and a few officers that we could make best use of attending and viewing various technologies, meetings and meet different industry partners and suppliers that could help Aberdeen become a leading City in Hydrogen from renewable energy.

This exhibition and conference on Hydrogen Fuel Cells (technical side) is a multi-disciplinary international conference on the production of hydrogen through various methods as well as its use in various systems. It will have particular value and interest to researchers, scientists, engineers and practitioners who are working in the field of hydrogen production technologies, ranging from policy making and technical development to management and marketing.

It will provide a forum for the exchange of latest advances and technical information, dissemination of new research developments in the areas of hydrogen production and usage, and presentations involving the future directions and priorities in the hydrogen economy for a sustainable future. This time the focus goes even beyond hydrogen production with a special emphasis on storage and safety aspects including hydrogen embrittlement. (Hydrogen embrittlement is the process by which various metals, most importantly high-strength steel, become brittle and fracture following exposure to hydrogen. Hydrogen embrittlement is often the result of unintentional introduction of hydrogen into susceptible metals during forming or finishing operations and increases cracking in the material).

The themes of the conference will cover technical topics ranging from the conversion of fossil fuels to the use of renewable energy sources and nuclear power for hydrogen production. Special emphasis will be on new and promising technologies that may provide clean and cost effective hydrogen for

widespread commercial applications. Processes for the gasification of coal and biomass, thermochemical systems, photochemical systems, high temperature electrolysis, renewable energy sources or solar technologies such as concentrated solar systems and development of above technologies will be included.

To extend beyond technical areas, social aspect of hydrogen (policy making, hydrogen infrastructure development, environmental concerns, regulatory actions, standards development, safety, storage, commercialization, education and training) will be covered. It is proposed that the Leader of the Council along with the Director of Enterprise Planning and Infrastructure, The Partnerships, Performance and funding officer and the Project Manager of the HyTrEc project attend and showcase Aberdeen at this International event

Hannover

The Hannover Trade Fair and industry Technology is the biggest event of all Renewable technologies in Europe. Last year it had over 6,550 exhibitors from around the globe and this event covers a huge area that requires buses to transport you around the exhibition areas. They have a fully dedicated exhibition space for Hydrogen Fuel Cells and as the Lead Partner in the EU funded HyTrEc project it is important that a space is taken to show case the project and more importantly to show case Aberdeen City and show its aspirations of becoming a leading city in this new emerging technology. This event will be attended by the Leader of the Council, The Director of Enterprise Planning and Infrastructure, The Partnerships, Performance and Funding Officer, the HyTrEc Project officer and an officer from the Business Growth team.

6. IMPACT

Several of the challenges of the Community Plan identified in the Single Outcome Agreement are also supported, such as: Leading the City, Being Informed, Getting Involved, Land Use and the Environment and Clean City, Transport and Connections, Prosperity and Jobs, and Aberdeen's Image.

7. MANAGEMENT OF RISK

There will inevitably be some risks associated with overseas travel. As far as possible, measures relevant to the destination will be taken to reduce any risks in line with Council Policy.

It is important that Aberdeen is fully represented in all European matters and that all opportunities for influencing policy and the development of transnational projects for the City's benefit are grasped in order that opportunities are maximised. If this is not done the Council could be at risk of not being able to draw down European and other external grant monies

8. BACKGROUND PAPERS

Smart Aberdeen 2020 Document

9. REPORT AUTHOR DETAILS

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