

ABERDEEN CITY COUNCIL

COMMITTEE	Enterprise Planning & Infrastructure
DATE	12 November 2013
DIRECTOR	Gordon McIntosh
TITLE OF REPORT	Update on European Projects
REPORT NUMBER:	EPI/13/184

1. PURPOSE OF REPORT

This report is to give elected members an update on EU funded projects.

The report will include;

- An update on a town-twinning project application.
- An extension to the MUSIC project.
- Actions taken to follow up on an internal audit.
- Request for representation at the Hydrogen bus pre launch in Brussels.
- Request for permission to attend a finance workshop for the FCH JU programme

2. RECOMMENDATION(S)

1. Notes the successful town twinning project application.
2. Notes the MUSIC project extension.
3. Notes the actions taken to implement internal audit report.
4. Approves oversea travel to attend a pre launch of the Hydrogen Buses in Brussels. Elected Member representatives, the Chief Executive, two officers, and the press and journal to Van Hool bus manufacturer in Brussels..
5. Approves attendance for one officer to attend the FCH JU finance workshop in Brussels on 5th November.

3. FINANCIAL IMPLICATIONS

Town Twinning Application

The project will see Aberdeen work with two of its twinned towns. The €5000 grant will support this and any additional costs will be met from existing budgets of city events and twinning team. The grant rate is set by the Citizens for Europe programme on the basis of there being

between twenty five and forty invited international guest for a period of less than ten days.

Hydrogen Bus Pre Launch

It is estimated that the costs of travel and accommodation for those recommended to attend would total approximately £1750 and would be met from current service budgets.

FCH JU – Finance workshop

It is estimated that the cost of travel and accommodation for one officer to attend this finance workshop “how to avoid financial errors” will be around £500 and would be met from current service budgets.

4. OTHER IMPLICATIONS

- Travel

There will inevitably be risks involved with overseas travel. As far as possible these risks will be minimised through booking through Council procedures and following policy.

- Risk Management

It is important that Aberdeen is fully represented in European matters and that way take advantage of all opportunities related to influencing EU policy and accessing EU funds. This level of participation will help to increase the understanding of the new programmes and will assist in developing the capacity to successfully develop new projects and work with other EU cities to the benefit of Aberdeen.

- Sustainability

Aberdeen City Council has a clear contribution to make to sustainable development with an emphasis on enhanced productivity through improved resource efficiency, new business opportunities in the developing market for sustainable technologies and delivering better and more efficient Council services. Participation in projects and events enable us to look at best practice elsewhere and continue to draw down EU funds to raise the quality of life in the area through increasing economic opportunity for all on a socially and environmentally sustainable basis.

- Environmental

European activities are implemented in line with the aim of achieving a quality and sustainable environment.

- Social

The principles of social inclusion underpin European cohesion policy and are essential for any successful EU project application.

- Economic

European representation and inter-regional networking contributes to the City’s overall effort to maximize opportunities and to promote its

interests, both at home and overseas with the aim of creating a vibrant and sustainable economy.

5. BACKGROUND/MAIN ISSUES

Town Twinning Application

An application was made to the Europe for Citizens programme to support the hosting of a three day event between Aberdeen, Regensburg and Clermont Ferrand. The project will allow Aberdeen to deliver a host of events and visits for the delegates to give them an understanding of the impact of the great war on Aberdeen and how it shaped today's culture in the City. An award of €5,000 has been made to Aberdeen City Council and can be claimed upon successful delivery of the project. Following the PACED acronym which applies to ERM, the need to undertake a risk evaluation is very low. The risk is that we are unable to claim the grant of €5,000. However, we will be awarded this money so long as we deliver the agreed events and submit a claim. The project team is aware of this and the funding team will ensure that it is actioned.

MUSIC Extension

A MUSIC project extension has been proposed from June 2014 to March 2015. The benefits of a project extension for Aberdeen would be to support and develop the ideas of the working groups which will take forward the aims of the project to reduce carbon emissions and engage a wider group of stakeholders. There will be no financial implications, the extension only giving more time for delivery of the project.

Internal Audit report

Following a thorough investigation by internal audit, a number of recommendations were made to improve the robustness of the process which the Council follows when entering into EU funded projects to ensure that sound governance arrangements are in place.

Internal Audit highlighted that project objectives must be defined at the outset of the project and should be SMART. All staff within the Projects Partnerships and Funding team will ensure that PRINCE II training is up to date. Templates will be drawn up to ensure that project objectives are defined at the outset and agreed before any final application submitted. This will be part of a pre application checklist of documents to be completed to demonstrate a complete justification for participation.

It was also highlighted that risk management must be documented more visibly. As such a risk assessment will be undertaken for each project at the outset and actively managed thereafter. This is also in line with PRINCE II processes which staff are familiar with and trained upon.

Each project will be required to have a cost/benefit analysis undertaken to ensure that it is economically viable. This will be contained within the project files for inspection at any time and may be presented to committee where approval is being sought for match funding.

Internal Audit has asked for a selection process to be put in place to justify the selection of partners for projects. This is being worked upon, however in many instances we have to work on the basis of trust, with the funding bodies able to take action against any non-performing partner. Officers will ensure that any checks on partners are kept proportionate to the level of risk to which we are exposed.

Attendance at Hydrogen Bus Pre Launch

Prior to the arrival of the buses in Aberdeen there will be an opportunity to have a pre launch event in Brussels which will ensure that the City is given full recognition for its efforts in delivering this innovative project. In order to ensure that the council has a strong presence at this event and that the public are well informed it is recommended that committee agree for the following individuals to attend. City Council Elected member representative, Chief Executive of Aberdeen City Council, Officer and one representative from the Press and Journal.

FCH JU – Finance workshop

Aberdeen City Council has secured grants from the FHC JU programme in the past, and will likely continue to use this programme again. To ensure that we remain fully compliant with the financial requirements of the programme and maximise the grant which we receive it is vital that we ensure there are no errors in our claims. This workshop has been designed by the programme for beneficiaries to attend and gain a full understanding of the grant claims system and process. Attendance by one officer would help ensure that our claims are submitted and processed as efficiently as possible.

6. MANAGEMENT OF RISK

All EU funded projects shall undertake a risk assessment pre application submission as requested by internal audit. This will be an integral part of the project monitoring to ensure that mitigating actions are in place should they be necessary.

7. REPORT AUTHOR DETAILS

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