

ABERDEEN CITY REGION DEAL JOINT COMMITTEE

ABERDEEN, 10 June 2016. Minute of Meeting of the ABERDEEN CITY REGION DEAL JOINT COMMITTEE. Present:- Councillor Laing, Chairperson; Councillor Kitts-Hayes, Vice Chairperson; and Councillors Evison (as substitute for Councillor Richard Thomson) and Gifford (Aberdeenshire Council); and Councillors Ross Thomson MSP and Young (Aberdeen City Council); and Jennifer Craw (as substitute for Professor Stephen Logan), Patrick Machray OBE and Sir Ian Wood (ONE).

Apologies: Councillor Richard Thomson and Professor Stephen Logan.

The agenda and reports associated with this minute can be located at the following link:-

<http://committees.aberdeencity.gov.uk/ieListDocuments.aspx?CId=546&MIId=4156&Ver=4>

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.

OPENING REMARKS FROM THE CHAIR

1. The Chair opened the meeting and apologised for the late circulation of item 4 on today's agenda.

MINUTE OF PREVIOUS MEETING OF 22 APRIL 2016

2. The Committee had before it the minute of the previous meeting of 22 April 2016 for approval.

The Joint Committee resolved:-

to approve the minute as a correct record.

PROGRAMME UPDATE

3. The Joint Committee had before it a report by John-Paul Cleary (CRD Programme Manager, ACC) which provided an update on the Programme to develop the specific projects under the City Region Deal Heads of Terms (£250m).

The report recommended –

that the Joint Committee note the progress of the Aberdeen City Region Deal Programme.

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John-Paul Cleary (CRD Programme Manager, ACC) spoke to the report and advised that all three constituent partners and both governments had agreed to target the approval of the City Region Deal (CRD) Agreement and Implementation Plan by 17 August 2016. Mr Cleary explained that lead officers had met with the UK Government earlier in the week and had been informed that funding would be released in line with key timeframes as set out in the various business cases. He highlighted that the business cases would follow Scottish Enterprise's Five Case Model and the methodology outlined in the UK Treasury's Green Book. Mr Cleary explained that the UK Government would transfer its funding contribution to the Scottish Government who would then allocate the funds for all CRD programmes; with the exception of some transport projects, in which funding would be allocated through Transport Scotland. Mr Cleary then provided the Joint Committee with a progress update on the various CRD programmes and projects:

(i) With regards to the Oil and Gas Technology Centre (OGTC), the Joint Committee was informed that representatives from ONE would be meeting with the Scottish and UK Governments on 17 June 2016 and a business case was being prepared. They were further advised that a Chief Executive would be appointed in the next few weeks and the project had access to £500,000 of funding but would need further investment by September 2016 as it would be delivered ahead of the rest of the CRD programmes;

(ii) With regards to the Agri-Food and Nutrition Innovation Hub, Jennifer Craw explained that the project team would be in place by the end of June 2016 and an outline business case would be developed by August 2016 but they would need further clarity from both governments on the criteria of the programme. Ms Craw highlighted that the scope of the project had been expanded to be more market orientated in order to generate international revenues. Patrick Machray added that the project had been slightly delayed as it was their aim to develop a project of unique value as there was no value in duplication;

(iii) With regards to the Bio-Therapeutic Innovation Centre, Jennifer Craw advised that this project would focus on the region's unique competencies and there was an opportunity to develop an economic base that would be competitive and attractive in a national context. Ms Craw explained that the project's name had been revised as its remit had been refined and would now concentrate on the development of bio-tech related therapies for conditions such as heart disease, cancer and diabetes. She added that the projects were not linear and they had been assessing their strategic options;

(iv) With regards to Digital Infrastructure, John Paul Cleary advised that this project would increase the region's digital connectivity for both industrial estates and major population areas. He explained that a gap analysis was currently in progress but had been held up as commercial sensitivity issues had been identified and these had to be resolved. Simon Haston (Head of IT and Transformation, ACC) explained that he would

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be happy to provide members with a date for the completion of the gap analysis, as well as dates for when specific projects would be finalised at the Joint Committee's next meeting. At this point Sir Ian Wood requested that lead officers from the Digital Infrastructure project team meet with representatives of ONE to provide a briefing on the benefits of the planned improvements in the region's digital infrastructure;

(v) With regards to the Strategic Transport Appraisal, John-Paul Cleary informed the Joint Committee that no business case would be required in this area as the STAG process would effectively be the business case process. Derek Murray (Director, Nestrans) added that the two governments had re-profiled the transport appraisal and Nestrans were in discussions with Transport Scotland on how the £5million of funding would be allocated. At this point members agreed to enter into discussions with the Scottish Government to try and persuade them that funding for CRD transportation projects should be allocated through the Scottish Government and not through Transport Scotland, to ensure standardisation of funding allocation for all CRD projects and programmes; and

(vi) With regards to the Harbour Expansion Project, John-Paul Cleary advised that the scope of the project was flexible up to its approval in October 2016 and he explained that they had received a number of additional requests for improvements from the Harbour Board. He stated that the Programme Board were open to these proposals but were mindful that the feasibility of any proposal would be dependent on the development of road infrastructure surrounding the Harbour.

The Joint Committee resolved:-

- (i) to note the progress of the Aberdeen City Region Deal Programme;
- (ii) to request that an action plan be developed that would chart the timeframes for approval by all the CRD Committees; Boards and Programme Groups ahead of the target date of 17 August 2016 for approval by all partners;
- (iii) to request that completion dates for the Digital Infrastructure gap analysis and other CRD digital programmes be presented to the Joint Committee's next meeting on 22 July 2016;
- (iv) to request that lead officers from the Digital Infrastructure project team provide a briefing on the benefits of planned improvements in the region's digital infrastructure to representatives of ONE; and
- (v) to request that lead officers meet with the Scottish Government to discuss the transfer of authority for allocating CRD funding for transportation projects from Transport Scotland to the Scottish Government, to ensure standardisation across all CRD projects and programmes.

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ADDITIONAL PROGRAMME UPDATE

4. The Joint Committee had before it a report by John-Paul Cleary which provided an update on the additional funding of £254m announced by the Scottish Government when the City Region Deal Heads of Terms Agreement was signed in January 2016.

The report recommended –

that the Joint Committee note the update on the additional funding.

(i) With regards to Housing, Graeme Stuart (Housing Strategy and Performance Manager, ACC) advised that through the Housing Infrastructure Fund, additional funding would be made available to unlock identified housing sites of strategic importance to local authorities. He anticipated that £20million of the recently announced £50million National Infrastructure Fund would be ring-fenced to the North East of Scotland but clarification would be needed from the Scottish Government on the conditions of the funding. Mr Stuart informed the Joint Committee that he and the CRD Programme Manager would be meeting with representatives of the Scottish Government on 14 June 2016 and would raise these issues with them;

(ii) With regards to Digital Infrastructure, John-Paul Cleary highlighted that an additional £10million had been earmarked to contribute to the delivery of digital proposals to create a digital infrastructure fund to enhance service delivery across the North East region in both the public and private sectors; and

(iii) With regards to Transportation, Derek Murray explained that the Laurencekirk improvements would be integrated into Transport Scotland's design and consultation framework and processes, and advised that the outcomes from the STAG appraisal had been accepted and Transport Scotland would be progressing to the next stages of the development which were the route option assessment and the preferred junction study up to the preparation of the Draft Road Orders. In terms of rail to the Central Belt, Mr Murray advised that Nestrans were in discussions with Transport Scotland and Network Rail to improve capacity and journey times and they were currently scoping the extent of works to reduce the journey time between Aberdeen and the Central Belt by 20 minutes. He added that other projects under consideration were a new local service from Arbroath to Glasgow and in the longer term a service from Inverness to Glasgow.

Councillor Thomson MSP informed the Joint Committee that he had been advised that Network Rail had been assessing projects in the North East and would be following Transport Scotland processes but advised that North East transportation developments had been little progress on the Governance for Railway Investment Projects (GRIP) process. At this point the Chair proposed to write to the Cabinet Secretary for Infrastructure, Investments and Cities to ask for clarification on the incorporation of the additional Scottish Government funding of £254million into the existing City Region Deal governance arrangements. The Joint Committee agreed that a letter should be

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written and suggested that it should be signed by representatives of the three constituent bodies of the City Region Deal.

The Joint Committee resolved:-

- (i) to note the update on the additional funding; and
- (ii) to request that the Chair write to the Cabinet Secretary for Infrastructure, Investments and Cities to ask for clarification on the incorporation of the additional Scottish Government funding of £254million into the existing City Region Deal governance arrangements, and for this letter to be signed by representatives of the three constituent bodies of the City Region Deal.

COMMUNICATION STRATEGY UPDATE

5. The Joint Committee had before it a report by Takki Sulaiman (Head of Communications and Promotion, ACC) which provided an update on the development of the City Region Deal communications strategy and plan.

The report recommended –

that the Joint Committee

- a) Comment on and approve the integrated approach to develop the communications strategy and project plan as set out in the report;
- b) Approve the communications protocol which would guide all communications activity and ways of working which seeks to complement the programme management approach; and
- c) Note that the communications plan would be developed by a project working group led by the two councils and ONE.

Takki Sulaiman spoke to the report and advised that a detailed communications plan would be submitted to the Joint Committee at its meeting on 9 September 2016. Mr Sulaiman explained the City Region Deal had been covered by national and international media outlets and now that the deal was moving into its secondary stage, there was an opportunity to communicate the CRD's role in delivering change and supporting the North East and national economies, whilst being mindful of managing expectations. Sir Ian Wood requested that this integrated communications approach be adopted by all partners; Boards and programme groups related to the City Region Deal.

The Joint Committee resolved:-

- (i) to approve the integrated approach to develop the communications strategy and project plan as set out in the report;
- (ii) to approve the communications protocol which would guide all communications activity and ways of working which seeks to complement the programme management approach, subject to the necessary revisions being made in terms of presentation;

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- (iii) to note that the communications plan would be developed by a project working group with representation from the two councils, ONE and the CRD Programme Manager; and
- (iv) to request that an integrated communications approach be adopted for all partners; Boards and programme groups related to the City Region Deal.

JOINT COMMITTEE MEETING DATES TO DECEMBER 2017

6. The Joint Committee had before it a set of proposed meeting dates for approval.

The proposed dates were as follows:-

Friday, 16 June 2017;
 Friday, 28 July 2017;
 Friday, 8 September 2017; and
 Friday 10 November 2017.

Sir Ian Wood enquired why there was a longer gap between the Joint Committee's meeting date on 17 March 2017 and 16 June 2017. The Clerk advised that the scheduling had taken cognizance of the Local Government elections on 4 May 2017. The Chair added that there was a mechanism in place for the Joint Committee to be reconvened during this period if urgent business needed to be considered. Members also raised concerns that the required City Region Deal documentation may not be finalised for the Joint Committee's consideration by its next meeting on 22 July 2016. The Chair proposed that a provisional meeting date could be scheduled to ensure that the Joint Committee would be in a position to make a recommendation to its three constituent bodies ahead of the target date of 17 August 2016.

The Joint Committee resolved:-

- (i) to approve the meeting dates; and
- (ii) to instruct the Clerk to send a provisional meeting appointment to members to support the approval of the City Region Deal by all partners by the target date of 17 August 2016.

COUNCILLOR JENNIFER LAING, Chairperson.