

ABERDEEN CITY COUNCIL

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COMMITTEE	Communities, Housing and Infrastructure
DATE	16 January 2018
REPORT TITLE	External Transportation Links to Bay of Nigg - STAG Pre-Appraisal and STAG Part 1 Appraisal
REPORT NUMBER	CHI/17/316
INTERIM DIRECTOR	Bernadette Marjoram
REPORT AUTHOR	Ken Neil

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1. PURPOSE OF REPORT

This report seeks Members approval of a submitted tender fee for the Scottish Transport Appraisal Guidance (STAG) Pre-Appraisal and STAG Part 1 Appraisal for External Transportation Links to the Bay of Nigg Harbour Development. The project is being progressed through City Region Deal.

2. RECOMMENDATION(S)

It is recommended that Committee:-

- (a) Reiterate approval for the commissioning of a Scottish Transport Appraisal Guidance (STAG) Pre-Appraisal and STAG Part 1 Appraisal for External Transportation Links to the Bay of Nigg Harbour Development under the Scotland Excel framework;
- (b) Approves the increased estimated expenditure detailed in exempt Appendix 1 in relation to the above procurement exercise; and
- (c) Approves the revised £150,000 project cost and associated City Region deal match funding and add this sum to the Council's Non-Housing Capital programme.

3. BACKGROUND/MAIN ISSUES

- 3.1 Aberdeen Harbour Board is developing a new harbour facility at the Bay of Nigg in direct response to capacity constraints at the existing harbour, in order to retain current business and expand into new markets. The principle of the new harbour facility is established as a National Development by the Scottish Government in the National Planning Framework 3 (NPF3):

- 3.2 The Harbour Development is expected to be a major trip and destination generator in the area and will have a significant impact on the surrounding transport network. The development framework identifies that external road upgrades are required in order to realise the wider economic development. By carrying out option appraisal at this stage, Aberdeen City Council and partners hope to identify the appropriate infrastructure upgrades required to maximise the wider economic benefits of the development on the surrounding transport network.
- 3.3 Reference is made to the City Region Deal Joint Committee at its meeting on 17 March 2017, which resolved to delegate authority to the Head of Economic Development to approve the Business Case subject to satisfactory State Aid Analysis and after consultation with the Chairperson and the Vice Chairperson of the Aberdeen City Region Deal Joint Committee; and subject to approval of the Business Case by Aberdeenshire Council. Reference is also made to a report to this Committee on 29 August 2017 titled 'External Transportation Links to Bay of Nigg - STAG Pre-Appraisal and STAG Part 1 Appraisal' in which the Committee resolved to approve the commissioning of a STAG Pre-Appraisal and STAG Part 1 Appraisal and approve an estimated level of expenditure for the procurement exercise. Following the procurement exercise, a proposal for the appraisal in relation to external transportation links to the Bay Of Nigg Harbour Development was received; however the tender amount is greater than the estimated level of expenditure approved by this Committee. The project is being progressed as part of the Aberdeen City Region Deal and the partners are satisfied with the appraisal proposal and the submitted tender amount. The tender amount received is identified in exempt Appendix 1 and the report seeks approval of the submitted tender amount, which is an increase on the earlier approved sum.
- 3.4 The overall cost estimate for the STAG Pre-Appraisal and STAG Part 1 Appraisal element of the project provided to the Committee in August was £100,000 including consultancy and internal staff costs. It is anticipated that with the revised tender amount, the overall project cost will now be £150,000 including consultancy costs and associated internal staff costs.

#### 4. FINANCIAL IMPLICATION

- 4.1 Under the Aberdeen City Region Deal, £25m has been allocated from the UK Government (£12.5m) and Scottish Government (£12.5m) for the transport infrastructure to support the harbour expansion which is a key deliverable of the Regional Economic Strategy. The budget for this project will come from this funding stream and along with other capital funded projects will be subject to the capital plan review. This project is also a key element of the wider development framework for this area which aims to unlock further economic potential for the local and wider area.

#### 5. LEGAL IMPLICATIONS

None at this time although all options assessed will likely have property and environmental implications which will require legal input as part of the delivery of any preferred and approved option. Approval of this report is necessary to comply with the Council's Procurement Regulations, which are designed to ensure the Council meets specific 'EU and Scottish' external legal requirements around procurement as well as best practice requirements (also in terms of legislation) with regard to lower value procurements.

## 6. MANAGEMENT OF RISK

- 6.1 Financial - There is no financial risk to Aberdeen City Council as a result of the recommendations of this report. However, there is a risk inherent in not progressing a key transport infrastructure improvement set out in the City Region Deal which will deliver a range of benefits including improved access to a major new development facility in the south of Aberdeen.
- 6.2 Employee - There is a risk that there will be insufficient staff resources available to deliver the proposed infrastructure. This situation will be monitored and workloads of Officers will be managed to optimise resources to best meet milestones/deadlines.
- 6.3 Customer/Citizens - There are risks affecting customers, citizens and visitors alike relating to a transport network which does not reflect the changing needs of the economy, society and personal health and wellbeing and specifically in access requirements for the movement of people and goods to major new development facilities.
- 6.4 Environmental - There are no environmental risks as a result of the recommendations of this report and further consideration to such risks will be addressed through the assessment process and in future reports to committee at each key stage.
- 6.5 Legal - There is a legal risk of non-compliance with the procurement regulation and national procurement legislation if the recommendations of this report are not approved. Any further consideration in relation to any such future risks will be addressed through the future reports to committee.
- 6.6 Technological - There are no technological risks as a result of the recommendations of this report, however, further consideration to any future risks will be addressed through the future reports to committee.
- 6.7 Reputational - There is a reputational risk to the City if it does not invest in transport infrastructure that caters for the needs of a high performing international city economy by providing roads with capacity to cope with the demands of a major transport facility.

## 7. IMPACT

## 7.1 Economy:

Positive decision making informing the progressive implementation of transport infrastructure improvements for the Harbour Development at Bay of Nigg directly supports a range of policies and strategies that will benefit the economy including:

Aberdeen – the Smarter City vision:

- We will invest in the city where that investment demonstrates financial sustainability based on a clear return on investment
- We will encourage cycling and walking.
- We will provide and promote a sustainable transport system, which reduces our carbon emissions.

Local Outcome Improvement Plan:

The Local Outcome Improvement Plan (LOIP) 2016-26 for Community Planning in Aberdeen (CPA) recognises a commitment to investing in infrastructure that caters for the needs of a high performing international city economy by providing roads with capacity to cope with the demands of business along with extensive air and sea links. Delivery of transport improvements for the Harbour Development at Bay of Nigg will assist in the priority of improving access to a key facility within Aberdeen.

## 7.2 People:

A defined, fully resourced programme of delivery for transport schemes, which includes implementation of transport infrastructure improvements for the Harbour Expansion at Bay of Nigg, will assist in improving access to a major new facility and enabling all people to share in the success that such a facility will provide to the City.

The contents of this report are likely to be of public and media interest as it relates to transport infrastructure at a key location to the south of the city and therefore would contribute to a significant improvement to the movement of people and goods for the City and Region. A Privacy Impact Statement is not required for this report.

An Equalities and Human Rights Impact Assessment (EHRIA) has not been undertaken on this report as the City Region Deal from which the transport infrastructure scheme is an integral part has been subject to the appropriate assessments. Future Committee reports on the detailed design of any preferred option would be the subject of an EHRIA.

## 7.3 Place:

The contents of this report and the recommendations relate to the delivery of transport infrastructure improvements for the Harbour Development at Bay of Nigg, which is a key intervention that will assist in improving access to a major

new facility. All options assessed will likely have environmental implications which will require appropriate mitigation as part of the delivery of any preferred and approved option. Consideration will be given to environmental impact through the assessment process.

#### 7.4 Technology:

The assessment will include consideration of the use of appropriate intelligent transport technology to assist in improving access to this major new facility, therefore enabling all people to share in the success that such a facility will provide to the City.

### 8. BACKGROUND PAPERS

Bay of Nigg Development Framework (supporting document to the Aberdeen Local Development Plan):

<http://www.aberdeencity.gov.uk/nmsruntime/saveasdialog.asp?IID=74595&slD=14394>

Report to Communities, Housing and infrastructure Committee - External Transportation Links to Bay of Nigg - STAG Pre-Appraisal and STAG Part 1 Appraisal

### 9. APPENDICES

Appendix 1 – Tender Amount (Exempt Appendix)

### 10. REPORT AUTHOR DETAILS

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