

ABERDEEN CITY REGION DEAL:

Powering Tomorrow's World

ABERDEEN CITY REGION DEAL JOINT COMMITTEE

9 FEBRUARY, 2018

Present: Councillors J Gifford, (Chair), P J Argyle, and R Thomson (Aberdeenshire Council);

Councillors M Boulton, J Laing, and D Lumsden (Aberdeen City Council); and

Mrs J Craw, Mr P Machray, and Sir Ian Wood (ONE).

In attendance: J Savege, Chief Executive, Aberdeenshire Council; S Archer, Director of Infrastructure Services, Aberdeenshire Council; B Miller, Head of Economic Development and Protective Services, Aberdeenshire Council; A Wood, Head of Finance, Aberdeenshire Council; R O'Hare, Principal Solicitor (Democratic Services), Aberdeenshire Council; J P Cleary, Senior Programme Manager, Programme Management Office, Aberdeen City Council; R Matheson, Service Manager – Industry Sectors, Aberdeenshire Council; S Rochester, Service Manager – Communications and Marketing, Aberdeenshire Council; H Martin, Programme Manager, Programme Management Office, Aberdeen City Council; P Finch, Strategic Transport Manager, Aberdeenshire Council; S Haston, Head of IT and Transformation, Aberdeen City Council; and J McRobbie, Committee Officer, Aberdeenshire Council.

1. SEDERUNT AND DECLARATION OF MEMBERS' INTERESTS

There were no declarations of interest.

2. RESOLUTIONS

(A) Public Sector Equality Duty

In making decisions on the following items of business, the Joint Committee **agreed**, in terms of Section 149 of The Equality Act, 2010;-

- (1) to have due regard to the need to:-
 - (a) eliminate discrimination, harassment, and victimisation;
 - (b) advance equality of opportunity between those who share a protected characteristic and persons who do not share it; and
 - (c) foster good relations between those who share a protected characteristic and persons who do not share it; and
- (2) where an Equality Impact Assessment was provided, to consider its content and take this into account when reaching a decision.

(B) Exempt Information

The Joint Committee **agreed**, in terms of Sections 50A (4) and (5) of The Local Government (Scotland) Act 1973 to exclude the public from the meeting during consideration of items 10, 11, and 12, as tabled, so as to avoid disclosure of exempt information of the classes described in paragraphs 6 and 8 of Part 1 of Schedule 7A of the Act.

3. MINUTE OF MEETING OF CITY REGION DEAL JOINT COMMITTEE OF 10 NOVEMBER, 2017

The Joint Committee had before them and **approved** as a correct record, subject (1) to the amendment of the Sederunt to correct the error in the spelling of Cllr Argyle, and (2) the correction in Item 7, of the date of the Scottish Government decision on project funding for digital infrastructure to be March, not February, 2018, the Minute of Meeting of the Joint Committee of 10 November, 2017.

Arising out of consideration of the Minute, Item 8 (Additional £254 investment – 6 monthly update), there was discussion of the Minister's response to the letter sent requesting to speak with him on the matter of concerns about rail improvements. Noting that the Minister was to be in Aberdeen on Wednesday, 14 February, the Joint Committee **agreed** that an urgent letter be sent to the Minister, requesting he reconsider his original response and agree a short meeting while he was in Aberdeen.

4. MINUTE OF MEETING OF CITY REGION DEAL JOINT COMMITTEE OF 29 NOVEMBER, 2017

There had been circulated and was **approved** as a correct record, the Minute of Meeting of the Joint Committee of 29 November, 2017.

5. JOINT COMMITTEE CHAIR ROTATION

The Joint Committee heard from the Principal Solicitor, (Democratic Services), Aberdeenshire Council that, in terms of the Joint Committee's Standing Orders, the Chairing of the Joint Committee would revert to the City Council, effective from the next meeting of the Joint Committee. Legal and clerking support would also transfer to the City Council. The Joint Committee **noted** the information provided.

6. TERMS OF REFERENCE

There had been circulated a joint report by the Senior Programme Manager and the Solicitor, Aberdeen City Council, requesting consideration of revised Terms of Reference for the City Region Deal Joint Committee and indicating that the proposals would be considered by Aberdeen City Council on 5 March, as part of a wider review of the Council's Scheme of Governance and by Aberdeenshire Council on 8 March. Having heard further from the Principal Solicitor (Democratic Services), Aberdeenshire Council, of the need to ensure that the Terms of Reference effectively supported operational practice as it had evolved since the City Region Deal had been established, the Joint Committee **agreed** to approve for their interest the proposed Terms of Reference as appended to the report, subject to (a) consistency in the referencing of "UK and Scottish Government" and (b) the addition of wording at paragraph 4 in relation to the Memorandum of Understanding.

7. CITY REGION DEAL PROGRESS UPDATE

There had been circulated a report by the Senior Programme Manager, providing an update on the City Region Deal (CRD) and its constituent workstreams. There was discussion about how much involvement the Joint Committee members might have, or advance notice give of, press articles on progress on projects within the remit of the City Region Deal; and of the ongoing infrastructure works around the Harbour Improvements, with the Strategic Transport Manager, Aberdeenshire Council, providing information of planned improvements, to be fully operational by 2020, and longer terms plans to accommodate wide loads from the harbour, and transport tourists from cruise ships, the Joint Committee **agreed:-**

- (1) that project leaders be requested to advise the Joint Committee members of pending press releases and articles in advance, if possible;
- (2) that additional information on the Travel Plan to support the new South Harbour be reported to the next meeting of the Joint Committee, and circulated directly if available in advance of that meeting; and
- (3) in all other respects, to note the updates provided.

8. AGRI-FOOD UPDATE

The Joint Committee heard from Mrs Craw, ONE, of the ongoing work in pursuit of the Agri-Food project, with the original model revised in June 2017, following industry consultations, to reflect the need for support to develop, a dislike of the word “innovation”, and a required proximity for producers of end users. Whilst the area was strong in research linking food to health, and foods of the future, this global level of study needed to be applicable locally; to produce immediate market opportunities for local producers and not be long term developments. A business growth fund for City and Shire had been established, to address the development support need expressed locally; support for an accelerated start up process. Consideration was being given to areas where the application of digital and robotic tools, often created for Oil and Gas industry requirements, might be adapted for agri-food operations, particularly in “back end” processes such as packaging, but also capable of being applied to processing work. There was a need identified to bring food and drink closer in their operations, whether in shared space or via developing networks. The next stage, in discussion with academic partners as well as the industry, and INNOVATE, would be to develop the North East of Scotland as a centre of excellence.

Mrs Craw referred to parallel investigations by Highlands & Islands Enterprise (HIE) which, applying a different model, had come to the same conclusions of the required improvements and support. She stressed that additional market testing was required, following the rolling out of the Strategic Business Case, and so the ongoing support by a dedicated staff resource was essential and had been included.

The Joint Committee heard from Mr Machray, ONE, that the main focus of the work had been to move away from research as a driver, to being one of many contributory parts, and the highlighting of the need to drive growth into the system.

There was discussion of the areas of commonality between Aberdeen City and Shire and the Highlands & Islands; the need to create a Unique Selling Point for the region, harnessing the power of the collective and which could be the proximity of sea and land to the final consumer’s product; the need for INNOVATE to develop contact with the industry to complement its current relationships with the researchers; the challenges for small businesses in expanding to be employers of others; and an amended timescale, given the need for additional market testing, for the development of a Full Business Case.

The Joint Committee **agreed:-**

- (1) to note that the Full Business Case is now anticipated to be issued for review by both government in June 2018;
- (2) to commend the work on agri-food done to date; and
- (3) to note the update provided.

9. COMMUNICATIONS PROTOCOL UPDATES

There had been circulated a report by the Service Manager, Communications and Marketing, Aberdeenshire Council, requesting the Joint Committee's consideration of updated protocols for communications.

There was discussion of the need for some reports to remain in confidence in advance of the Joint Committee's consideration of them, and for which an appropriate corporate press release might be made subsequently, if required, and the Joint Committee **agreed:-**

- (1) to approve the content of the Communication Protocol, as detailed in Appendix 1;
- (2) the use of the visual identity and supporting logo suite, as detailed in Appendix 2; and
- (3) that any future update to the Communications Protocol be agreed by the City Region Deal Programme Board and only require further approval by the Joint Committee if changes are significant.

10. CITY REGION DEAL – Q2 & Q3 FINANCIAL UPDATE 2017/18

There had been circulated a report by the Senior Programme Manager, Aberdeen City Council, providing an update on the finances of the Aberdeen City Region Deal for the second and third quarters of 2017/18. Having heard further from the Head of Finance, Aberdeenshire Council, and the Senior Programme Manager, of rulings awaited from the Scottish Government on proposed funds carried forward, the Joint Committee **agreed** to note the updates provided and end of year outcome forecast.

11. BUSINESS CASE DEVELOPMENT – REGIONAL DATA EXCHANGE AND SENSOR NETWORK

There had been circulated a report by the Programme Manager, Aberdeen City Council, updating the Joint Committee on plans to develop the Regional Data Exchange and Sensor Network projects, providing Outline Business Cases for the projects and seeking approval to invest in options appraisal works and the development of a Full Business Case for a regional data exchange and a sensor network.

Having heard further from the Head of IT and Transformation, Aberdeen City Council, there was discussion of the extension, in due course of the immediate benefits in the City to the Shire, albeit with differing applications, and the Joint Committee heard from the Service Manager, Industry Sectors, Aberdeenshire Council. The Joint Committee **agreed:-**

- (1) to approve the Outline Business Case for a regional data exchange, as detailed in Appendix 1 to the report;
- (2) to approve the investment of up to £150,000 in the development of a Full Business Case for a regional data exchange, subject to approval by Aberdeenshire Council in respect of its contribution;
- (3) to approve the Outline Business Case for a sensor network, as detailed in Appendix 2 to the report;
- (4) to approve the investment of up to £150,000 in the development of a Full Business Case for a sensor network, subject to approval by Aberdeenshire Council in respect of its contribution; and

- (5) to note that the Full Business Cases will be submitted, in August 2018, to the Joint Committee for approval.

12. LOCAL FULL FIBRE NETWORK FULL BUSINESS CASE

There had been circulated a report by the Programme Manager, Aberdeen City Council, seeking approval of the Full Business Case for the Local Full Fibre Network project, within the Digital theme of the Aberdeen City Region Deal.

The Joint Committee **agreed** to approve, for their interest, the detailed Business Case for the Local Full Fibre Network project, as appended to the report, subject to (a) approval of the Business Case by the UK and Scottish Governments, and Aberdeenshire Council and (b) positive peer review of the project by the Peer Review Group.

13. DATE OF NEXT MEETING

The Joint Committee **noted** that the next meeting would be held on Friday 4 May, 2018.

Councillor Jim Gifford, Chair