

## ABERDEEN CITY COUNCIL

---

<b>COMMITTEE</b>	Finance and Resources
<b>DATE</b>	6 <sup>th</sup> August 2025
<b>EXEMPT</b>	No, but the Appendix is exempt under paragraph 6 of schedule 7A to the Local Government (Scotland) Act 1973 - information relating to the financial or business affairs of any particular person (other than the authority).
<b>CONFIDENTIAL</b>	No
<b>REPORT TITLE</b>	Opportunity to host the World Rally Championships in North East Scotland
<b>REPORT NUMBER</b>	CR&E/25/184
<b>EXECUTIVE DIRECTOR</b>	Gale Beattie
<b>CHIEF OFFICER</b>	Julie Wood
<b>REPORT AUTHOR</b>	Matthew Williams
<b>TERMS OF REFERENCE</b>	3.2

---

### 1. PURPOSE OF REPORT

- 1.1 To inform members of the opportunity to host the World Rally Championships (WRC) across the Aberdeen City, Aberdeenshire and Moray Council areas for three consecutive years and to seek approval to undertake planning and engagement exercises.

### 2. RECOMMENDATION(S)

That the Committee: -

- 2.1 Welcomes the opportunity for the North East of Scotland to host the World Rally Championships (WRC);
- 2.2 Instructs the Chief Officer - City Development & Regeneration to prepare a detailed project proposal for hosting the WRC, including engagement with relevant partners;
- 2.3 Instructs the Chief Officer - City Development & Regeneration to report the project proposal back to this Committee in November, with detailed costings and partnership feedback, including potential funding options and risk mitigation; and
- 2.4 Authorises the Chief Officer – City Development & Regeneration to approve travel for up to two officers for a scoping visit to a World Rally Championship event, to be funded from the International Trade Budget and/or the City Promotions budget, should the opportunity arise in this financial year.

### **3. CURRENT SITUATION**

- 3.1 The FIA World Rally Championship (WRC) is a globally recognised motorsport series. Motorsport UK, in partnership with EventScotland and the WRC Promoter, has identified the North East of Scotland as a preferred host location for a UK round of the WRC for an initial three-year period (2027–2029). The event would be headquartered at P&J Live in Aberdeen, with stages across Aberdeen, Aberdeenshire and Moray.
- 3.2 The WRC provides a strategic opportunity to:
- Showcase Scotland's motorsport heritage and innovation in sustainable fuels.
  - Deliver an estimated €100 million economic impact over three years.
  - Generate significant GVA through tourism, hospitality, and supply chain activity.
  - Engage communities through STEM education, mental health initiatives, and volunteering.
  - Align with the Regional Economic Strategy, Net Zero ambitions and Event365 Plan.
- 3.3 Aberdeen City Council's role would include coordination with partners and stakeholders to support infrastructure, logistics, and community engagement. Additional external funding would be sought for the wider STEM and community engagement activities.
- 3.4 Aberdeen City Council would also be required to provide support to the event and the estimated ask on these resources would be outlined in the project proposal for committee. For example, Events, Planning, Roads, Environmental Health, Communications, PO&D, Finance and IT Teams with opportunities for Employability, Education, Culture, Net Zero and Community Teams across the Council to maximise the event's potential for learning and skills development. Learning from Tall Ships would be incorporated into the proposal along with the economic and wider benefits.
- 3.5 The Events Team was recently asked to attend the World Rally Championship in Finland with Events Scotland and partners to hear more about the impact on the city and logistics involved. There is currently no delegated power in place to approve travel outside of the UK and due to the short notice, ACC officers were unable to attend. The recommendation in 2.4 seeks to allow for a quick decision to send one or two officers to an event should Committee instruct a report on WRC as per 2.3 and such an opportunity for a learning visit becomes available again.

## 4. FINANCIAL IMPLICATIONS

- 4.1 The feasibility study included as the appendix to this report outlines an indicative ask of £1 million per year for 3 years, shared between Aberdeen City, Aberdeenshire, and Moray Councils. Depending on the division of costs this would mean an annual contribution of between £333,000 and £500,000 in 2027, 2028 and 2029 from the Council.
- 4.2 The preferred funding mechanism that would be explored as part of the project proposal would be the proposed Visitor Levy under the Visitor Levy (Scotland) Act 2024. However, the Council may need to underwrite the relevant contribution sums if Visitor Levy revenues prove to be insufficient, if the Levy is delayed or if it is decided not to proceed with a Levy.
- 4.3 Detailed costings and partnership updates will be developed, including funding options and risk mitigation.

## 5. LEGAL IMPLICATIONS

- 5.1 There are no direct legal implications at this stage.
- 5.2 Legal advice will be sought as partnership and funding agreements are developed.

## 6. ENVIRONMENTAL IMPLICATIONS

- 6.1 The WRC races will run on P1 Fuel, a fossil-free replacement for petrol. It is made from agricultural residues. It does not compete with the food industry. This fuel reduces greenhouse gas emissions by over 77% aligning with Aberdeen's Net Zero Routemap.

- 6.2 The event would:-

- Promote low-emission technologies and sustainable event practices.
- Be used as a platform to showcase Aberdeen's net zero ambitions and green transport initiatives.

## 7. RISK

Category	Risks	Primary Controls/Control Actions to achieve Target Risk Level	*Target Risk Level (L, M or H)  *taking into account controls/control actions	*Does Target Risk Level Match Appetite Set?
Strategic Risk	There is collaboration and	Agreement to proceed and	M	Yes

	agreement required across Aberdeen, Aberdeenshire, and Moray	commitment to funding from partner councils would be required to proceed		
<b>Compliance</b>	There is a risk that carbon impact is not fully considered	Environmental assessments will be undertaken to ensure compliance and identify opportunities for carbon offsetting.	L	<b>Yes</b>
<b>Operational</b>	Delivering a complex, multi-location international event poses logistical and operational challenges	Event planning and delivery frameworks would be developed in partnership with experienced motorsport and event management bodies.	L	<b>Yes</b>
<b>Financial</b>	There is a risk of financial exposure if projected funding from Visitor Levy or other income does not materialise	This would need to be agreed at Committee once all costs were known. Motorsport UK has committed to underwriting the event, significantly reducing the financial burden on public funds	M	<b>Yes</b>
<b>Reputational</b>	There is a reputational risk if the public perceives the event as a misuse of funds:  Concerns may arise over the use of council or regional budgets, especially	Economic benefits should be clearly evidenced and widely felt, Motorsport UK has committed to underwriting the event, and multi-year agreements are	L	<b>Yes</b>

	during times of financial constraint.	designed to spread costs and maximise return on investment		
<b>Environment / Climate</b>	There is a reputational and environmental risk if the event is perceived to conflict with climate goals.	<p>The event will showcase sustainable fuels and implement a carbon planning framework.</p> <p>It aligns with the Net Zero Routemap and will promote low-emission technologies</p>	<b>L</b>	<b>Yes</b>

## 8. OUTCOMES

<b>COUNCIL DELIVERY PLAN 2025-26</b>	
	<b>Impact of Report</b>
<b>Aberdeen City Council Policy Statement</b>  <a href="#"><u>Working in Partnership for Aberdeen</u></a>	<p>The policy emphasises transforming Aberdeen into a better place to live, work, and visit. Hosting a WRC event would:</p> <ul style="list-style-type: none"> <li>• Attract national and international visitors, boosting tourism and hospitality sectors.</li> <li>• Create temporary and potentially long-term employment opportunities.</li> <li>• Showcase Aberdeen as a dynamic, outward-looking city, supporting the policy's ambition to improve quality of life and economic resilience.</li> </ul>
<b><a href="#"><u>Local Outcome Improvement Plan 2016-2026</u></a></b>	
<b>Prosperous Economy Stretch Outcomes</b>	<p>The event is expected to generate significant economic impact through tourism and local business engagement, support hundreds of jobs, and offer accredited volunteering and training opportunities. It also promotes innovation and sustainability by showcasing hybrid rally technologies, aligning with the city's Net Zero ambitions, and positioning Aberdeen as a dynamic, investable destination</p>

<p>Prosperous People Stretch Outcomes</p>	<p>The WRC event includes the opportunity for a programme of STEM outreach and volunteering initiatives that would:</p> <ul style="list-style-type: none"> <li>• Inspire young people to pursue careers in engineering, digital media, and event management, contributing to Stretch Outcomes 3–8.</li> <li>• Provide structured volunteering roles for adults, including training and accreditation, supporting Stretch Outcomes 9–13.</li> <li>• Enable targeted engagement with schools and colleges across Aberdeen, Aberdeenshire, and Moray, with a focus on priority neighbourhoods and underrepresented groups.</li> </ul> <p>These initiatives align with LOIP improvement aims such as:</p> <ul style="list-style-type: none"> <li>• Increasing the number of young people entering positive destinations post-school.</li> <li>• Expanding access to volunteering and employability pathways for adults.</li> <li>• Supporting mental wellbeing and community participation through inclusive event programming.</li> </ul>
<p>Prosperous Place Stretch Outcomes</p>	<p>The proposals within this report support the delivery of LOIP Stretch Outcome 13: addressing climate change by reducing Aberdeen’s carbon emissions and adapting to the impacts of our changing climate.</p> <p>The WRC event will:</p> <ul style="list-style-type: none"> <li>• Showcase the use of sustainable fuels and hybrid rally technology, aligning with the city’s Net Zero Routemap.</li> <li>• Implement a carbon planning framework to minimise environmental impact, including active travel promotion, waste reduction, and local sourcing.</li> <li>• Provide a platform to promote Aberdeen’s climate leadership to a global audience, reinforcing the city’s reputation as a forward-looking, sustainable destination.</li> </ul>
<p>Community Empowerment Stretch Outcomes</p>	<p>The proposals within this report support the delivery of LOIP Stretch Outcome 16 – 50% of people report</p>

	<p>they feel able to participate in decisions that help change things for the better by 2026.</p> <p>The WRC planning process will:</p> <ul style="list-style-type: none"> <li>• Involve local communities in shaping event delivery through co-design workshops and neighbourhood engagement.</li> <li>• Offer community-led programming opportunities, including cultural showcases and local enterprise stalls.</li> <li>• Ensure that decisions about event legacy and reinvestment are informed by community voices, particularly in areas directly impacted by the event footprint.</li> </ul>
<b>Regional and City Strategies</b>	<p><b>Regional Economic Strategy (RES) 2035</b> The WRC proposal aligns with the RES's focus on:</p> <ul style="list-style-type: none"> <li>• <b>Tourism and place-based growth:</b> Hosting a global motorsport event enhances the region's international profile and supports the visitor economy.</li> <li>• <b>Innovation and skills:</b> The event's STEM outreach and volunteering programmes contribute to workforce development and graduate retention.</li> <li>• <b>Infrastructure leverage:</b> The WRC would utilise and promote regional transport and digital infrastructure, supporting the RES's emphasis on connectivity.</li> </ul> <p><b>Regional Transport Strategy</b> The WRC supports the strategy's shift toward mobility, people, and place by:</p> <ul style="list-style-type: none"> <li>• Encouraging active travel and public transport use through event planning.</li> <li>• Demonstrating how major events can be integrated into sustainable transport planning.</li> <li>• Providing a testbed for mobility innovation and crowd movement management.</li> </ul> <p><b>Regional Skills Strategy</b> The WRC contributes to skills development by:</p>

- Offering volunteering and training opportunities in event management, logistics, media, and engineering.
  - Engaging with schools and colleges to promote career pathways in motorsport, tourism, and sustainability.
- 

## **City Strategies and Strategic Plans**

### **Local Development Plan (LDP)**

The WRC aligns with the LDP's aims to:

- Promote Aberdeen as a vibrant, attractive city.
- Support sustainable development and infrastructure use.
- Enhance the city's cultural and leisure offer.

### **Local Housing Strategy**

While not directly housing-related, the WRC supports the strategy's goals by:

- Attracting inward investment that can stimulate housing demand and regeneration.
- Enhancing the city's appeal to residents and potential new workers.

### **Children's Services Plan**

The WRC's youth engagement programme supports:

- Positive destinations for young people.
- Inclusion through targeted outreach in priority neighbourhoods.
- Opportunities for young people to participate in city life and decision-making.

### **Net Zero Routemap for the City**

The WRC supports climate goals by:

- Showcasing hybrid and sustainable rally technologies.
- Implementing a carbon planning framework for event delivery.



	<ul style="list-style-type: none"> <li>Promoting Aberdeen's net zero ambitions to a global audience.</li> </ul> <hr/> <p><b>Council Strategies</b></p> <p><b>Medium Term Financial Strategy</b> The WRC supports financial sustainability by:</p> <ul style="list-style-type: none"> <li>Attracting external funding and sponsorship.</li> <li>Generating economic uplift through tourism and local spend.</li> <li>Offering a scalable model for future event-led regeneration.</li> </ul> <p><b>Estates and Assets Strategy</b> The WRC leverages existing public assets (e.g. parks, roads, venues) to:</p> <ul style="list-style-type: none"> <li>Maximise community benefit.</li> <li>Demonstrate flexible, multi-use asset planning.</li> <li>Support the Council's ambition to optimise estate use for economic and social return.</li> </ul>
--	--

## 9. IMPACT ASSESSMENTS

Assessment	Outcome
<b>Integrated Impact Assessment</b>	No assessment required at this time. A full Impact Assessment will be developed at the next stage. I confirm this has been discussed and agreed with Julie Wood, Chief Officer, City Development and Regeneration 09/07/2025.
<b>Data Protection Impact Assessment</b>	not required.
<b>Other</b>	Not at this time

## 10. BACKGROUND PAPERS

10.1 [More details emerge on Scotland's WRC bid - RallyJournal.com](#)

10.2 [Feasibility study for Rally GB 2026 WRC return begins – DirtFish](#)

## **11. APPENDICES**

### **11.1 Appendix A: WRC Feasibility Study - Exempt**

## **12. REPORT AUTHOR CONTACT DETAILS**

<b>Name</b>	Matthew Williams
<b>Title</b>	Service Manager – Commercial Development
<b>Email Address</b>	matwilliams@aberdeencity.gov.uk