

# ABERDEEN CITY REGION DEAL:

Powering Tomorrow's World

<b>Report Name</b>	Aberdeen City Region Deal Quarterly Progress Update
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<b>Date of Report</b>	2 May 2019
<b>Governance</b>	City Region Deal Joint Committee

<b>1:</b>	<b>Purpose of the Report</b>
<p>To update the Joint Committee on the progress of the City Region Deal and its constituent workstreams, through the body of the report and Appendix 1 – Quarterly Progress Report.</p>	

<b>2:</b>	<b>Recommendations for Action</b>
<p>It is recommended that the Joint Committee:</p> <ul style="list-style-type: none"> <li>i. Notes the content of the report, its appendix, and the progress made.</li> </ul>	

<b>3:</b>	<b>Summary of Key Information</b>
<p><b>Programme Dashboard</b></p> <p><b>3.1 Programme Update Jan- March 2019</b></p> <ul style="list-style-type: none"> <li>• In January, Audit Scotland came to speak with Aberdeen City Region Deal regarding the process leading up to the signing of the Heads of Terms and current Governance Arrangements. Audit Scotland will produce a report in Autumn 2019 which will reflect interviews with all Scotland's City Region Deals.</li> <li>• In February, the Equalities Commission were invited to present at an Inclusive Economic Growth Workshop for the City Region Deal Project Leads which has led to a refreshed EHRIA.</li> <li>• The reporting schedule in the 2018/19 Grant Letter from Scottish Government outlines the following reports due to the Scottish Government in the next quarter.</li> </ul> <p>Key Reports due to Scottish Government April – June 2019 include:</p>	

<b>3:</b>	<b>Summary of Key Information</b>
	<ul style="list-style-type: none"><li>• Quarterly Progress Report (Appendix 1)</li><li>• Monthly Finance Report</li><li>• 30<sup>th</sup> April Statement of Compliance</li><li>• 30<sup>th</sup> June Annual Benefits Realisation Plan</li><li>• 30<sup>th</sup> June Annual Implementation Plan</li></ul> <p>The Annual Performance Report is due in July 2019 and the Annual Conversation will take place on the 10<sup>th</sup> September 2019.</p> <p><b>3.2 Workstream updates</b></p> <p>Updates on the progress of individual workstreams and projects are contained in the Programme Dashboard in Appendix 1.</p>
<b>4:</b>	<b>Finance and Risk</b>
	<ul style="list-style-type: none"><li>i. Risks that are to be escalated to Joint Committee would be included in Appendix 1. There are no risks for escalation in this report.</li></ul>

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## Quarterly Progress Report January – March 2019 – Appendix 1

Projects	RAG	Update
<b>Oil &amp; Gas Technology Centre Innovation</b>  Time  Budget  Resource	  <b>G</b>  <b>G</b>  <b>G</b>	<p><b>OGTC Business Case Approved 2016, OGTC opened February 2017, 18 Month Checkpoint March 2018 - where targets had been met or exceeded. December 2018 Submission of stretched targets to UK/Scottish Government, awaiting response. 36 Month Checkpoint due October 2019</b></p> <p><b>Previous Milestone</b> March 2019, 2 National Centres well underway for development. <b>Update:</b> The research themes for both National Centres is being developed in collaboration with the Universities and Industry.</p> <p><b>Next Milestone</b> October 2019, 6 Solution Centre funded technologies reach commercialisation phase. <b>Update:</b> 3 achieved by end of March 2019.</p> <p>Over 115 members of the Solution Centres in place, with further expected to join in the coming months. 178 approved Projects are in progress. 50 offshore trials are planned, with a number already completed. Wells call on Restoring Shut-in wells launched in Q4 and closed in January 2019 with 20 submissions. The National Decommissioning Centre was successfully launched in January 2019. The research themes for both National Centres is being developed in collaboration with the Universities and Industry.</p>
<b>Food Hub for Innovation</b>  Time  Budget  Resource	  <b>G</b>  <b>G</b>  <b>G</b>	<p><b>JC Approved Business Case August 2018; UK/Scottish Government approved 17th January 2019</b></p> <p><b>Previous Milestone</b> March 2019, Design and Planning of Hub for Innovation.</p> <p><b>Next Milestone: June 2020, Complete Tendering and Contracting of Build.</b></p> <p>Stakeholder engagement ongoing; Food Hub (NES) Ltd set up. Lease negotiations for preferred site commenced with Head of Terms substantially agreed. ONE recruitment of Food Hub Project Director complete, start date of 8<sup>th</sup> April 2019. Draft Funding Agreement received from Aberdeenshire Council.</p> <p>Procurement process for project management services commenced.</p>

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<b>Bio-Therapeutic Hub for Innovation</b>  Time  Budget  Resource	  <b>G</b>  <b>G</b>  <b>G</b>	<b>Business Case Approval by JC June 2017 and Funding Partners October 2017</b>  <b>Previous Milestone</b> Design and planning of Hub for Innovation- Concept Design, April 2019 (Complete). <b>Next Milestone:</b> Developed Design of Hub for Innovation, July 2019.  Concept design approved by BioAberdeen Board; Planning Pre-Application Response received from ACC planning department; Site investigations completed, and initial results received Stage 1 OJEU notice issued for procurement of main contractor – 5 responses received and currently being evaluated. Follow up support continues to be delivered to companies participating in the Pilot Life Sciences Business Support programme through ONE and Partners.
<b>City Network Extension - Digital</b>  Time  Budget  Resource	  <b>G</b>  <b>G</b>  <b>G</b>	<b>CRD JC approved the connection of 57 public sector sites November 2017. CityFibre with Vodafone announced a £40million investment for Fibre to The Premises Build in February 2018</b>  <b>Previous Milestone:</b> 5 ACC Sites connected, December 2018. <b>Next Milestone:</b> 10 ACC sites connected July 2019 – <b>Update:</b> 7 completed by end of March 2019.  CityFibre have laid 90,000m of fibre network in the ground and passed 7,900 number of homes in the City, with 214 homes now connected through Vodafone.
<b>Full Fibre Infrastructure – Digital</b>  Time  Budget  Resource	  <b>G</b>  <b>G</b>  <b>G</b>	<b>In February 2018 the CRD JC approved a revised (January 2017) Digital Infrastructure Project. This Business Case was approved 31 January 2019 subject to additional information being included in a revised Business Case.</b> This additional information was submitted but feedback has not been provided to date.  <b>Previous Milestone:</b> Contract Notice Issued, March 2019. <b>Next Milestone:</b> Evaluation of Responses, May 2019.  The programme Board approved a change request to revise the milestones and profiled budget for this project following the delayed approval of the Business Case. The RAG for Time and Budget has been moved from Amber to Green.

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<b>Duct Network Extension –</b>  Time  Budget  Resource	  <b>G</b>  <b>G</b>  <b>G</b>	<p><b>In January 2017 the CRD JC approved the current Duct Network Extension Business Case. UK and Scottish Government approved the Business Case 23rd January 2019 subject to additional information being included in a revised Business Case by February 2019. This additional information was submitted but feedback has not been provided to date.</b></p> <p><b>Previous Milestone:</b> Implementation Team - Appointed 2019. <b>Next Milestone:</b> Procurement Award – August 2019.</p> <p>The programme Board approved a change request to revise the milestones and profiled budget for this project following the delayed approval of the Business Case. The RAG for Time and Budget has been moved from Amber to Green.</p>
<b>Sensor Network</b>  Time  Budget  Resource	  <b>G</b>  <b>G</b>  <b>G</b>	<p><b>CRD JC approved Outline Business Case 9 February 2018; Strategic Commissioning Committee approved procurement 20th November 2018.</b></p> <p><b>Previous Milestone:</b> Contract Awarded for the provision of services to deliver a full Business Case – February 2019. <b>Next Milestone:</b> Draft Business Case Completed - June 2019.</p> <p>Work has begun on development of the Full Business Case. BC is expected at Joint Committee - August 2019.</p>
<b>Regional Data Exchange</b>  Time  Budget  Resource	  <b>G</b>  <b>G</b>  <b>G</b>	<p><b>CRD JC Approved Outline Business Case 9 February 2018</b> <b>Strategic Commissioning Committee approved procurement 20th November 2018.</b></p> <p><b>Previous Milestone:</b> Contract Awarded for the provision of services to deliver a full Business Case – February 2019. <b>Next Milestone:</b> Draft Business Case Completed - June 2019.</p> <p>Work has begun on development of the Full Business Case. BC is expected at Joint Committee August 2019.</p>
Project	Time	Update

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<b>Strategic Transport Appraisal</b>		<b>Business Case Approval: CRD JC November 2017, Aberdeenshire Infrastructure Services Committee 30<sup>th</sup> November 2017 and UK/Scottish Government 2017; City Growth and Resources June 2018</b>
Time	<b>A</b>	<b>Previous Milestone:</b> Complete Options Generation and Sifting – April 2019. <b>Next Milestone:</b> Commence Stag 1 Appraisal of Options -May 2019.
Budget	<b>G</b>	
Resource	<b>G</b>	Timeline amber - There is a risk that the AWPR opening schedule will have a knock-on impact on timescales for gathering data to inform the final ASAM upgrade. This has to be viewed in the context of the wider programme but is not viewed as critical at this point. Strategic Transport Appraisal option generation and sifting now drawing to conclusion, with all relevant workshops completed. Member workshops took place in February 2019.
<b>Aberdeen Harbour Expansion</b>		<b>Business Case approved 24th August 2017</b>
Time	<b>G</b>	<b>Previous Milestone:</b> North Breakwater (excluding Crown Wall works) to be completed December 2018. <b>Next Milestone:</b> West Quay to be completed July 2019.
Budget	<b>G</b>	Dragados UK, principal contractor for the Aberdeen Harbour Expansion Project, has installed the first of 22 concrete units that will form the closed quay sections at Aberdeen South Harbour. Progress can be followed at <a href="http://www.ahep.co.uk/ConstructionProgramme.aspx">http://www.ahep.co.uk/ConstructionProgramme.aspx</a>
Resource	<b>G</b>	
<b>Transportation Links to Aberdeen South Harbour</b>		<b>CRD JC approved STAG Part 1 final report November 2018; ACC's City Growth &amp; Resources Committee on 27th November 2018 UK/Scottish Government approval of further funding for Part 2 appraisal 13th December 2019</b>
Time	<b>G</b>	<b>Previous Milestone:</b> Award Tender March 2019. <b>Next Milestone:</b> Remobilisation and Option Scoring May 2019.
Budget	<b>G</b>	Resource in place and the tender assessment for STAG 2 is now complete, with consultants PBA now appointed to undertake the detailed appraisal of shortlisted options. Submission and agreement of the consultants' work programme will inform profiled spend and milestones for 2019/20.
Resource	<b>G</b>	