

# 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>	August 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> <p>Key Reports produced for Scottish Government April – August 2019 include:</p> <ul style="list-style-type: none"> <li>• Quarterly Progress Report</li> <li>• Monthly Finance Report</li> <li>• April - Statement of Compliance</li> <li>• June - Annual Benefits Realisation Plan</li> <li>• June -Annual Implementation Plan</li> <li>• August - The Annual Performance Report (Annual Report)</li> </ul> <p>Key meetings Sept – November</p> <ul style="list-style-type: none"> <li>• Meeting between OGTC and UK/SG to discuss funding arrangements post Deal</li> </ul>	

<b>3:</b>	<b>Summary of Key Information</b>
	<ul style="list-style-type: none"><li>• The Annual Conversation will take place on the 10<sup>th</sup> September 2019 including visits to the Harbour and The Oil and Gas Technology Centre.</li><li>• Minister visit to Harbour 22<sup>nd</sup> August 2019</li></ul> <p>Dates to be confirmed:</p> <ul style="list-style-type: none"><li>• OGTC Check point Review</li><li>• Transport Appraisal Check Point Review</li><li>• Equalities Training for Committee Members</li></ul> <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> <p>A change request was approved by the Programme Board for the Transport Links to Aberdeen South Harbour reflecting a delay of six weeks. This will not impact the critical path for the project.</p>

<b>4:</b>	<b>Finance and Risk</b>
	<p>There are no risks identified in this report.</p>

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## Quarterly Progress Report April -June 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, which have been agreed. 36 Month Checkpoint due October 2019</b></p> <p><b>Previous Milestone</b> 2 National Centres well underway for development. <b>Update: National Decommissioning Centre launched in January 2019 and National Subsea Centre development well underway.</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> Currently at 8</p> <p>Established in October 2016, the OGTC is already delivering significant results as it drives forward the organisation's key goals; to help maximise economic recovery from the UK continental shelf, anchor the supply chain in the North-East of Scotland, and create a culture of innovation in the region. These are driven through Solution Centres, National Centres, Tech X accelerator and the Innovation Hub.</p> <p>A link to case studies on completed and live projects can be viewed at <a href="https://www.theogtc.com/projects/">https://www.theogtc.com/projects/</a></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>The Food Hub is a £21million investment project over ten years to accelerate growth and innovation of existing businesses and start-ups. It will build on the strengths of the food and drink industry in the North-East of Scotland through a consumer-focused, customer-driven approach to innovation across all sectors of the industry.</p> <p>Stakeholder engagement ongoing; Food Hub (NES) Ltd set up. Lease negotiations for preferred site commenced with Head of Terms substantially agreed. 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>	<p><b>Business Case Approval by JC June 2017 and Funding Partners October 2017</b></p> <p><b>Previous Milestone</b> Design and planning of Hub for Innovation- Concept Design, (Complete)  <b>Next Milestone:</b> Developed Design of Hub for Innovation</p> <p>The Bio-therapeutics Hub for Innovation (Bio Hub) is a ten year £40million investment project to accelerate growth and build on the strengths of the Life Sciences cluster in the North East of Scotland, which includes the company base, University of Aberdeen, Robert Gordon University and NHS Grampian.</p> <p>The concept design has been approved by BioAberdeen Board and a Pre-Application Response has been received from ACC planning department. Construction is anticipated to commence in January 2020, with the Bio Hub opening to its first tenants in 2021. Follow up support continues to be delivered to companies participating in the Pilot Life Sciences Business Support programme through ONE and Partners.</p>
<b>City Network Extension - Digital</b>  Time  Budget  Resource	  <b>G</b>  <b>G</b>  <b>G</b>	<p><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></p> <p><b>Previous Milestone:</b> 14 completed by end of July 2019  <b>Next Milestone:</b> 20 sites completed by February 2020</p> <p>The City Network Extension project will extend Aberdeen City Council's fibre network to 57 additional sites across the City and has successfully stimulated private investment of up to £40million by CityFibre and Vodafone to extend and deploy fibre, providing the majority of the City with access to 'fibre to the premises' and creating Scotland's first 'Gigabit City'.</p> <p>Work continues with two subcontractors GCU and Activo working across the City. The commercial roll out offering Vodafone fibre products to residents is now available in Kincorth, Torry and Northfield.</p>

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<b>Full Fibre Infrastructure – Digital</b>  Time  Budget  Resource	  <b>G</b>  <b>G</b>  <b>G</b>	<p><b>In February 2018 the CRD JC approved a revised (January 2017) Digital Infrastructure Project. This Business Case was approved by UK/Scottish Government January 2019.</b></p> <p><b>Previous Milestone:</b> Announcement of successful bidders to framework, July 2019  <b>Next Milestone:</b> First call off contract issued, August 2019</p> <p>Building on what has being achieved in the City Network Extension project, an aggregated public sector demand approach is being taken to extend fibre further into the City Region. This will be primarily achieved by Aberdeenshire Council sites (with NHS sites being a beneficiary) acting as an anchor tenant and delivering new build dark fibre infrastructure into economically important areas in the City Region. The following industrial estates are included: Westhill, Inverurie, Kintore, Blackburn, Banchory, Portlethen and Stonehaven.</p> <p>Procurement is progressing. Successful bidders were appointed to the Supplier Framework in July with the call off contracts for the sites to be let in August 2019</p>
<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 January 2019.</b></p> <p><b>Previous Milestone:</b> Procurement Award One – June 2020  <b>Next Milestone:</b> Begin Implementation – Contract One – August 2020</p> <p>Aberdeen City Council already operates a duct network in the City, and this will be expanded to cover the main economic areas. Initially this duct network could be for Council use, followed by engagement with commercial organisations to encourage them to utilise the expanded network to enhance their fibre offering in Aberdeen City, consequently stimulating the market. This project will also provide the enabling infrastructure for the proposed sensor network and provide the opportunity for Aberdeen City to be used as a testbed for autonomous vehicles as well as supporting 5G installations.</p> <p>Design Team is currently undertaking Desk Top Study for network Design</p>

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<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> Stakeholder Workshop June 2019  <b>Next Milestone:</b> Business Case to Joint Committee November 2019</p> <p>Aberdeen City currently has a network of over 1,000 sensors which are used to manage traffic flow and monitor the environment. The Sensor Network project will expand this existing network to enable better transport management (both private and public sector); facilitate smart travel and autonomous vehicles; enable anonymised data to be made available for delivering commercial and public services more efficiently.</p> <p>The full Business Case for a Sensor is currently being developed by the IBI Group. Progress will be presented at October's Programme Board and the full Business Case is due to be submitted at November's Joint Committee.</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> Stakeholder Workshop June 2019  <b>Next Milestone:</b> Business Case to Joint Committee November 2019</p> <p>A Regional data exchange is a repository to collect, store, standardise and publish data. The exchange function facilitates transaction of data sets between stakeholders allowing scrutiny, analysis and the application of the data to generate insights, develop better predictive tools and create service and product opportunities.</p> <p>The full Business Case for a Sensor is currently being developed by the IBI Group. Progress will be presented at October's Programme Board and the full Business Case is due to be submitted at November's Joint Committee.</p>

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<b>Strategic Transport Appraisal</b>		<b>Business Case Approval: CRD JC November 2017, Aberdeenshire Committee November 2017 and UK/Scottish Government 2017; City Growth and Resources June 2018</b>
Time	<b>A</b>	<b>Previous Milestone:</b> Strategic Transport Appraisal – Commence STAG1 Appraisal of Options <b>Next Milestone:</b> Strategic Transport Appraisal- Complete STAG 1 Appraisal of Options
Budget	<b>G</b>	
Resource	<b>G</b>	The Strategic Transport Appraisal will take a 20year strategic view of the transport implications of the investment unlocked by the Deal across all modes of transport including road and rail.  The appraisal will ultimately support decision-making regarding the prioritisation of future transport investment in the region, informing both regional investment plans for transport and infrastructure and national strategies and programmes of work.  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.
<b>Aberdeen Harbour Expansion</b>		<b>Business Case approved 24th August 2017</b>
Time	<b>G</b>	<b>Previous Milestone:</b> First of the 22x 6,000 Tonne caisson unit arrives <b>Next Milestone:</b> Completion of North Breakwater Autumn 2019
Budget	<b>G</b>	The Aberdeen Harbour Extension will include a new South Harbour 7,300m in length. It will be able to accommodate vessels of up to 300metres and more. Expected benefits include increased Cruise activity, renewables and decommissioning works.
Resource	<b>G</b>	Work continues through Dragados UK, principal contractor for the Aberdeen Harbour Expansion Project. Progress can be followed at <a href="http://www.ahep.co.uk/ConstructionProgramme.aspx">http://www.ahep.co.uk/ConstructionProgramme.aspx</a>
Project	Time	Update

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<p><b>Transportation Links to Aberdeen South Harbour</b></p>		<p><b>CRD JC approved STAG Part 1 final report November 2018; ACC's City Growth &amp; Resources Committee on 27th November 2018</b> <b>UK/Scottish Government approval of further funding for Part 2 appraisal 13th December 2018</b></p>
<p>Time</p>	<p><b>G</b></p>	<p><b>Previous Milestone:</b> STAG 2 commenced April 2019 <b>Next Milestone:</b> Remobilisation and Option Scoring – now due August 2019</p>
<p>Budget</p>	<p><b>G</b></p>	<p>The Transport Links to Aberdeen South Harbour will develop the initial options to determine the most appropriate external road improvements in relation to external transportation links to the Harbour Development. This will follow established guidance Transport</p>
<p>Resource</p>	<p><b>G</b></p>	<p>Scotland's, Scottish Transport Appraisal Guidance (STAG).  Stag 2 has now commenced, a change request for the milestone was approved at Programme Board in August which reflects slippage of six weeks. There is no impact to the critical path.</p>