

ABERDEEN CITY REGION DEAL:

Powering Tomorrow's World

ABERDEEN CITY REGION DEAL JOINT COMMITTEE

10 NOVEMBER, 2017

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

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

Mrs J Craw, Professor S Logan, and Mr P Machray; (ONE).

Apologies: Sir Ian Wood.

In attendance: J Savege, Chief Executive, Aberdeenshire Council; S Archer, Director of Infrastructure Services, Aberdeenshire Council; B Miller, Head of Economic Development and Protected 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, Project Manager, Commercial and Procurement Shared Service; P Finch, Strategic Transport Manager, Aberdeenshire Council; N McIntosh, Finance and Commercial Director, The Oil & Gas Technology Centre; S Haston, Head of IT and Transformation; D Torrance, Senior Transport Planner, Transport Scotland; D McGowan, Head of Communities and Housing, Aberdeen City Council); and J McRobbie, Committee Officer, Aberdeenshire Council.

Present: Colin Parker, Chief Executive, Matt North, Commercial Director, and James Bell, Finance Director, Aberdeen Harbour.

1. SEDERUNT AND DECLARATION OF MEMBERS' INTERESTS

Apologies were intimated from Sir Ian Wood, ONE.

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.
- (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 item 8, as tabled, so as to avoid disclosure of exempt information of the class described in 6 of Part 1 of Schedule 7A of the Act.

3. MINUTE OF MEETING OF CITY REGION DEAL JOINT COMMITTEE OF 8 SEPTEMBER, 2017

The Joint Committee had before them and **approved** as a correct record, subject to the amendment of the Sederunt to list Professor F von Prondzynski as present, and apologies from Professor S Logan, the Minute of Meeting of the Joint Committee of 8 September, 2017.

4. 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. Having heard from the Senior Project Manager that there were separate detailed reports on each of the areas of work on the agenda, the Joint Committee **agreed** to note the updates provided.

5. ABERDEEN HARBOUR UPDATE

With reference to the Minute of Meeting of 8 September, 2017, (Item 7), The Chair, on behalf of the Joint Committee, welcomed Colin Parker, Chief Executive, Matt North, Commercial Director, and James Bell, Finance Director, Aberdeen Harbour to the meeting of the Joint Committee.

The Joint Committee heard in detail of the Harbour's expansion plans, utilising, in part, the £11m of City Region Deal funding towards the harbour's development work at Nigg Bay, to ensure that the infrastructure complied with state aid rules. This was in the context of the additional funds in local authority management in developing a development framework for the area, and the STAG transport appraisal which would look at issues of connectivity to the wider City and Shire.

In terms of the ongoing construction work, approximately 200m of breakwater had been installed, with approximately 400m to be installed in spring to complete the north breakwater. Thereafter work would be started on the south breakwater, with the works to be completed 2019. Bay dredging had started and would continue. Mr Parker advised the Joint Committee of the different construction methods for the West and North Quay; compared to the "shipping in" of caissons pre-fabricated sections, planned for February, 2018, these would be a more traditional suspended deck with piles.

The works would include a large building on the south side as manufacturing facilities for aquapod – 16 tonnes in weight, 9000 would be built on site at Altens, where the current facilities limited production to 15 per day, using individual moulds. Larger rocks were coming from Norway. The construction works were progressing on schedule and within budget, expected to be complete by May 2020.

The cycle path on the south side of the bay had still to be completed, including its link to Hareness Road on the line of the old railway line.

A visitor centre had been established beside Girdleness Lighthouse, for which Building Warrant was currently being sought. Initially it would be open for invited guests, before ultimately being made a public facility. The centre benefitted from a fantastic view into Nigg Bay.

In terms of business development, Mr Parker spoke of the regular conversations with companies, local and potentially new to the areas. It was anticipated that the Harbour redevelopment would attract decommissioning, cruises (with larger vessels that could currently be accommodated in the existing harbour); offshore wind opportunities. Talks were also progressing with Transport Scotland about the potential to have larger ferries in the future. Modelling of this suggestion seemed to indicate that this was an option, with a larger passenger terminal.

The Cruise Aberdeenshire steering group was already working hard to prepare the local market for opportunities which would be created by the advent of more, and potentially larger, ships, and it was acknowledged that in order to ensure a return market, it was crucially important to have a first class visitor experience product available from day 1. Extensive research was being undertaken and consultation with various tour operators. It had already been identified that a city shuttle bus running to, and from, the quayside was critical; as was the availability of local guides; and the early holding of Familiarisation Trips for tour and cruise operators.

Investigation of decommissioning opportunities was also proving very worthwhile. Discussions were also being progressed with various waste handlers in meetings described as encouraging.

There was discussion of the work with cruise lines, with two companies wanting to come before the works were completed; the potential for the Nigg Bay works to be a “game-changer” for the whole of the north-east of Scotland, negating the requirement for vessels to be tendered to shore; and the understanding that 2018’s provisional bookings would be a progressive start to a chrysalis year; the possible increase in numbers of vessels using the harbour, as well as the capacity for larger vessels; the importance of the awaited outcomes from the STAG appraisal to inform further infrastructure linkages, and comparisons made with the Orkney bus links to go and collect disembarking passengers; the potential for the harbour’s operation to be less disrupted by rough weather; connections being made with local food and drink producers and the cruise lines; contacts made with grain exporters to discuss potential shared business interests; the possible impact on the capacity of the current harbour, more in terms of expansion, not relocation; consideration of shore side power supply provision, as happens in other European ports, despite the lack of interest from current users and suppliers (given a different tax regime to places such as Norway) and challenges with the availability of power supply.

The Joint Committee **agreed:-**

- (1) to commend the Harbour development plans; and
- (2) to thank Harbour representatives for an informative and interesting presentation.

6. TRANSPORTATION UPDATE

There had been circulated a report by the Strategic Transport Projects Manager, Aberdeenshire Council, requesting the Joint Committee’s consideration of the Strategic Transport Appraisal Business Case. The report detailed an update on the strategic transport appraisal elements of the City Region Deal, to be jointly funded by UK and Scottish Government and advised of the newly upgraded regional transport model Aberdeen Sub Area Model (ASAM) which would be applied, to the Strategic assessment when received, together

with review of previous studies and appraisals, undertake fresh public and stakeholder opportunities to (a) identify the key transport problems and opportunities, and analyse their impact on regional economic performance; (b) develop and refine a set of objectives as response; and (c) generate, sift, and appraise a series of options with the potential to contribute towards achieving the City Region Deal's economic aspirations.

There was discussion of the timings of the scheme and its interface with the ongoing work on the Aberdeen Western Peripheral Route (AWPR), and the requirement not to prejudice any future opportunities; the existing identification, through modelling, of pressure points, and the need to revise the assumptions arising from previous modelling which, being undertaken in 2004- 2011, had been a very different economic climate; timescales for the Harbour Road Improvement; and the clear STAG monitoring process.

The Joint Committee **agreed:-**

- (1) to approve, for their interest, the detailed Business Case for the Strategic Transport Appraisal, as appended to the report, noting that it would be submitted to the UK and Scottish Governments and Aberdeenshire Council for approval; and
- (2) To note, in all other respects the updates provided.

7. DIGITAL INFRASTRUCTURE – OUTLINE BUSINESS CASE

With reference to the Minute of Meeting of 8 September, 2017, (Item 6), there had been circulated a report by the Head of IT and Transformation, Aberdeen City Council, containing an Outline Business Case for the strategy on delivery of the Digital Infrastructure workstream and seeing approval for the next steps.

Having heard further from The Head of IT and Transformation, and the Service Manager – Industry Sectors, as to the opportunities which were now afforded by new Government project potential match funding, on which a decision would be advised in February, 2018; a potential connection voucher scheme; the option to explore further expansion of the Duct infrastructure already in place in Aberdeen City; ongoing discussions on the potential Regional Information Exchange; commercially sensitive competitive opportunities which may become available to providers; and the need for clarity in making information about opportunities publicly available, the Joint Committee **agreed :-**

- (1) To approve for further development the Outline Business Case as appended to the report;
- (2) That a detailed Business Case be submitted for approval in early course;
- (3) To note the opportunities afforded in the City Region Deal area by the gigabit fibre voucher scheme;
- (4) Note that any detailed business case for Duct extension would be subject to agreement by the Scottish and UK Governments;
- (5) That a supportive communications strategy be developed and reported to a future meeting; and
- (6) That a detailed Business Case for the delivery of a Regional Information Exchange be developed and submitted for approval at the next meeting.

8. ADDITIONAL £254M INVESTMENT – 6 MONTHLY UPDATE

There had been tabled a report by the Senior Programme Manager providing an update on the additional £254m investment from the Scottish Government in terms of (a) the Housing Infrastructure Fund and (b) Transport.

The Joint Committee noted that the report should have been stamped as exempt in terms of Paragraph 6 of the Section 50A (4) and (5) of The Local Government (Scotland) Act 1973, and not merely copied on green paper and marked “confidential”.

The Joint Committee heard from the Head of Communities and Housing, Aberdeen City Council, of continuing discussions between the Scottish Government and the Councils on the issue of housing provision, and the challenges of developing and delivering projects to access funds when the commitment was made on a yearly basis, including the requirement to consider a “Plan B”.

Mr Torrance, of Transport Scotland, provided updates on the Laurencekirk grade separated junction proposal’ rail improvement works, focusing on the capacity to reduce point to point journey time, and establish greater consistency, by improving infrastructure; the potential increasing freight demands.

There was discussion of where improvement locations might be identified, not necessarily within the geographical area of the City Region Deal, but with potential to benefit journey times, and whether this should still qualify for City Region Deal allocated funding.

The Joint Committee **agreed:-**

- (1) that a letter be sent to the Minister, on behalf of the City Region Deal Joint Committee, exploring concerns on rail improvements; and
- (2) in all other respects to note the terms of the updates.

9. DATE OF NEXT MEETING

The Joint Committee **noted** that the next meeting would be held, at the Oil and Gas Technology Centre, on Friday 9 February, 2018, meeting at 9.30am.-

Councillor Jim Gifford, Chair

