

REPORT TO: East Lothian Council

MEETING DATE: 14 December 2021

BY: Executive Director for Place

SUBJECT: Edinburgh and South East Scotland City Region Deal –
Annual Report and Queen Margaret University Update

1 PURPOSE

- 1.1 To summarise the key findings on the City Region Deal Annual Report (available in the Members' Library, Ref: 105/21, October 2021 Bulletin) (approved by the City Region Deal Joint Committee on 3 September 2021);
- 1.2 To update on the date for the next Annual Conversation;
- 1.3 To provide a summary on progress to date on the delivery of the Food and Drink Innovation Hub and the wider Edinburgh Innovation Hub; and
- 1.4 To update on the delivery of the Grade Separated Junction at the A1/Queen Margaret University road junction.

2 RECOMMENDATIONS

- 2.1 To note the summary findings of the third Annual Report
- 2.2 To note the date for the next Annual Conversation.
- 2.3 To note the summary of progress on the delivery of the Food and Drink Innovation Hub and the wider Edinburgh Innovation Park.
- 2.4 To note the update on the delivery of the Grade Separated Junction at the A1/Queen Margaret University road junction.

3 BACKGROUND

Annual Report

- 3.1 The Edinburgh and South East Scotland City Region Deal was signed by the First Minister, Prime Minister and City Region Leaders on 7 August 2018.
- 3.2 Each year the City Region Deal partners are required to produce an Annual Report to assess how well the City Region Deal is aligning towards the overall vision and inclusive growth outcomes for the city region. The first Annual Report was approved by the City Region Deal Joint Committee on 3 September 2019.
- 3.3 The second Annual Report was approved by the City Region Deal Joint Committee on 4 September 2020.
- 3.4 The third Annual Report was approved by the City Region Deal Joint Committee on 3 September 2021.

Annual Report – Overview

- 3.5 The Annual Report 2020/2021 (“Report”) is an overall progress report for the City Region Deal programme.
- 3.6 The Report contains a City Region Deal overview, Financial Statement, a Summary of Progress within each of the 5 themes, reference to the Regional Prosperity Framework and a look to the year ahead.
- 3.7 The Report notes that three years into the City Region Deal and, despite challenging circumstances, partners have continued to make great progress on its delivery.
- 3.8 The Report notes the key milestones achieved in 2020/2021 including that the Joint Committee approved four new business cases this year: the Fife Industrial Innovation Phase 2 investment in infrastructure and modern business premises to support economic development; Easter Bush to become a global location of Agritech excellence; Dunfermline Housing (one of seven key strategic areas of change and growth) and the Queen Margaret University Innovation Hub for Food, Drink and Health Sciences. Eighteen projects and programmes, accounting for 90% of the overall Deal, have now been had their business cases approved for implementation.
- 3.9 Last year, the City Deal successfully secured £3 million from the Bus Partnership Fund (phase 1), £1.8 million for the Bus Priority Rapid Deployment Fund and £410,000 from the Regional Recovery Fund to support Community Wealth Building, regional tourism, the development of a Regional Prosperity Framework and a feasibility study for a data platform to assess outcomes and impacts of City Region Deals.

Annual Report - Summary Of Progress

3.10 As of 1 August 2021:

- 6 projects are in Stage 1: Define, which means that the project's business case is yet to be completed (8 in August 2020).
- 13 are in Stage 2: Implement, which means that the project's business case has been approved by Joint Committee and is in the process of being implemented (13 in August 2020).
- 5 are in Stage 3: Deliver, which means that the project has been implemented and is working towards delivering its objectives (3 in August 2020).

3.11 Last year's annual report showed that COVID-19 had affected the delivery of some of the projects, but all were within acceptable time and budget parameters. This year, despite the pandemic continuing to affect delivery, further progress has been made in implementing the programme.

- 14 projects are considered to be on target to be completed on time (green score) or have been completed on time (6 in August 2020).
- 10 projects are delayed, but considered to be within an acceptable range, with management action in place to address the issue (amber score). (18 in August 2020).
- 19 projects are considered to be on target to be completed within the specified budget (green score) or have been completed within the specified budget (15 in August 2020).
- 2 projects are projected to cost more than the specified budget, but considered to be within an acceptable range, with management action in place to address the issue (amber score) (6 in August 2020).

Annual Report – Benefits Realisation

3.12 In taking forward the Benefits Realisation Plan (approved by the Joint Committee in September 2020) each City Region Deal theme has been examining how best to monitor and evaluate future impacts. Individually, themes have identified a range of approaches (including bespoke surveys, refining existing data and customer relationship management monitoring systems, creating new data sets and adopting the measures used in the Scottish Government's National Performance Framework and other similar indices).

3.13 In reviewing these approaches, the Programme Management Office and Theme leads identified opportunities to enhance the efficiency and quality of future impact measurement. Examples are (1) co-ordinating partners' existing data sets and approaches to monitoring and evaluation within the City Region Deal and with other City Region Deals, and (2) accessing information from both Scottish and UK Governments that is not available on an "open basis"; engaging with existing or emerging (Government)

initiatives that might support better Monitoring & Evaluation (M&E) outcomes and benchmarking “best practice” approaches.

- 3.14 In March 2021 the Programme Management Office successfully applied for funding from the Scottish Government to undertake a: “feasibility study for a public/private sector data platform to assess the outcomes and impacts of the City Region Deal.”
- 3.15 The focus of this study has been to assess the potential, and recommend approaches, to accelerate the co-ordination of data, and the M&E of this data, in a consistent and more efficient way to support the management of benefits realisation for the City Region and potentially other Deal areas. The study recommends three approaches to enhance M&E:
- Support for the newly formed CRD Data Intelligence Group to examine co-ordination of M&E across linked impacts (such as Community Benefits, Environment and Fair Work) as well as the wider co-ordination of M&E and potentially “self-assessment” protocols with other CRDs;
 - A cross-CRD approach reflecting the broader opportunity to collaborating and integrating Benefits Realisation Planning and M&E efforts across all the City Region Deals in Scotland (and potentially other home countries); and,
 - From positive discussions to date with the Scottish Government, there may be longer term opportunities to both access data for the purposes of testing net impacts and co-developing M&E practices/reporting.

Annual Report – Financial Statement

- 3.16 A summary of the City Region Deal total over a fifteen-year period is shown in Table 2 of the Annual Report.
- 3.17 The City Region Deal Financial Summary for the period of April 2020 to March 2021 is set out in Table 3 of the Annual Report.

Annual Report – The Year Ahead

- 3.18 Key milestones that are expected in the next 12 months:

Date	Milestone
September 2021	Joint Committee meeting where the following items will be considered: <ul style="list-style-type: none"> • Transport Appraisal Board Consideration of A720 Sheriffhall Technical Information • Edinburgh and South East Scotland City Region Deal Bus Partnership Fund Award: Funding Announcement and Next Steps • Regional Prosperity Framework – final report

	<ul style="list-style-type: none"> • Edinburgh and South East Scotland City Region Deal Annual Report
October 2021	<ul style="list-style-type: none"> • Official opening of first office building at Borders Innovation Park (Phase 1).
November 2021	<ul style="list-style-type: none"> • Commencement of junction works at Queen Margaret University for Food and Drink Innovation Hub. • Engage over 200 young people across the region in designing their ideas for a sustainable human habitat to be displayed at the UN Climate Change Conference,
December 2021	<p>Joint Committee meeting where the following items will be considered:</p> <ul style="list-style-type: none"> • A720 (Sheriffhall roundabout) progress update • Submission of revised Full Business Case for Phases 2 and 3 of Borders Innovation Park • Integrated Regional Employability and Skills Programme progress update • Launch of Community Benefits Wishlist Portal (ESESCommunities.org). • Granton Waterfront Housing Business Case complete.
March 2022	<ul style="list-style-type: none"> • Joint Committee meeting where the following items will be considered: • Dunard Centre Revised Business Case • West Edinburgh Transport Improvement Plan Business Case • National Robotarium fully operational.
April 2022	Implementation of Tranche 2 of the Fife i3 Programme commences.
June 2022	<p>Joint Committee meeting where the following items will be considered:</p> <ul style="list-style-type: none"> • A720 (Sheriffhall roundabout) progress update

July 2022	Full DataLoch launch. Regional Data Haven launch.
August 2022	Launch skills portal to signpost learners to data skills opportunities across the region

Annual Conversation - Update

- 3.19 The Annual reports are followed up in a conversation between the Scottish City Region Deal Delivery Board and the senior representatives of the deal, where progress and concerns are discussed. The Annual Conversation for has not yet taken place at the time of writing this report – albeit the Annual Conversation is scheduled for November. Council shall be updated on the Annual Conversation in the December Council Report.

Summary of Progress – Delivery of the Food and Drink Innovation Hub and the Wider Edinburgh Innovation Park

Next Milestones

Date	Milestone
October 2021	Award of Contract for the Junction Works
January 2022	Commencement of the Junction Works scheduled
January 2023	Completion of the construction of the Junction works
April 2023	Commencement of construction of the Food and Drink Innovation Hub
April 2025	Food and Drink Innovation Hub operational

Delivery of the Grade Separated Junction at the A1/Queen Margaret University Road Junction

- 3.20 As noted above ELC awarded the contract for the junction works in October 2021. Whilst ELC have estimated 12 months for construction, the above time line, including the commencement and the completion date is subject to further discussions with the contractor. Whilst there will inevitably be some disruption and delays there are a variety of mitigating measures in place. For example, the contractor shall, at all times maintain full and free access to all business, premises and land within, adjacent to or adjoining the site which are affected by the works. Vehicular access to and from the A1 via existing southbound slip-roads is required to be maintained at all times for Queen Margaret University access. The contractor is also to provide and maintain at all times two traffic lanes in both directions on the A1 road and proposals requiring closure of a lane

or lanes or complete closure to the A1 or for any temporary diversion routes will be subject to consultation and approval by City of Edinburgh Council and East Lothian Council as local roads authority and Transport Scotland as Trunk Roads Authority.

4 POLICY IMPLICATIONS

4.1 None

5 INTEGRATED IMPACT ASSESSMENT

5.1 The subject of this report does not affect the wellbeing of the community or have a significant impact on equality, the environment or economy.

6 RESOURCE IMPLICATIONS

6.1 Financial – There is no financial impact relating to the Annual Report and Annual Conversation for East Lothian Council.

6.2 Personnel – None

6.3 Other – None

7 BACKGROUND PAPERS

7.1 Edinburgh and South East Scotland City Region Deal – Report to East Lothian Council, 11 August 2017

7.2 Heads of Terms Agreement signed by UK/Scottish Governments and Partner Authorities on 20 July 2017

7.3 East Lothian Council Summer Recess Arrangements – Standing Order 15.5 Members Library Report – Edinburgh and South East Scotland Region - City Deal Proposition, 19 July 2017

7.4 Edinburgh and South East Scotland City Region Deal – Report to East Lothian Council, 28 June 2016

7.5 City Region Deal Document (August 2018)

7.6 Edinburgh and South East Scotland City Region Deal (ESES CRD) – Annual Report, Annual Conversation and Regional Growth Framework Update, 29 October 2019.

7.7 Edinburgh and South East Scotland City Region Deal – Annual Report, Benefits Realisation Plan, and Food and Drink Innovation Update, 27 October 2020.

7.8 Ratification of City Deal Governance Arrangements, 27 October 2020

7.9 Report to Members' Library Service: Edinburgh and South East Scotland
City Region Deal Annual Report – 2020/2021 (October 2021 Bulletin)

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