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**East Lothian Partnership Governance Group**

**Wednesday 26th October 2022**

**3.15pm – 5.15pm**

**Teams Meeting**

**Meeting note**

1. Welcome and apologies
2. Note of 30th August Governance Group meeting

2a. Matters arising

1. Recovery and Renewal Plan scheduled updates (Jamie Baker)
* **Promote East Lothian as a location for home working, reducing the need to travel / commute to work by car**

Douglas noted there is a huge amount of longer term work being done across partnerships and the council in this area. He made the point that Covid was advantageous in terms of sustainability in forcing us to look at opportunities for green recovery and a new model of more sustainable work. However, this is a longer term piece of work.

Douglas noted that we can point to where we are as a large employer in terms of flexible working policies and our asset rationalisation programme. There is also a lot more going on – active travel, sustainable transport, as well as some of the work being done around car parking.

* **Utilise our business recovery investment fund to support our town centres, tourism and the rural economy**

Jamie provided some context in relation to business recovery in terms of funding that was allocated by PLC in 2021/2022. This was £600,000 to support recovery coming off the back of a huge amount of grant funding as part of the cooperative response by Scottish and UK governments: £37million delivered during the period of Covid , dropping down to much lower levels.

In 2021/22, we committed approximately 50% of the recovery funding to grants and other support activities. This was transferred to capital reserves and carried forward to 2022/23. Now being used in conjunction with the **LASER (??)** funding – the local authority and Covid economic recovery fund: money that came from UK government via Scottish government.

Across all funding received (approximately £1.5million) was split down into a series of interventions:

* startup grants
* project grants to help businesses grow or operate slightly differently
* a growth and sustainability plan which is a larger individual grant up to £20,000 – again this was aimed more at growth businesses, or businesses that needed to change substantially in order to respond to the various current challenges.

Applications have closed now across all these threads because funding is almost fully committed.

The money currently in council reserves is there to make sure we’re supporting as many businesses as we can. It is also likely that some of the applicants will drop off as they will no longer have the ability to take forward their projects

The UK Shared Prosperity Fund has its first allocation this year: we have submitted our investment plan to the UK government and await a response on that.

Business support – looking at using that funding in year one to augment some of the expert health activities, support towards the transition to net zero, and some specific sector support.

**Lever (sp?)** Rural Funding coming through this year – East Lothian will take on the lead partner role for the Tyne Esk community led local development fund. This has seen a significant drop in value from a previous multi-million pound pot to a current total of £204,000 for East and Midlothian. However, still working to develop a series of grants from £5,000 to £10,000 for revenue and capital activities for this year: an officer is about to be appointed to take that forward. Jamie mentioned that he is looking carefully at potential funding from Scottish Government. Current work also underway in relation to procurement strategy. Jamie mentioned concern that we are currently working on a lot of projects that may be unachievable – he would rather we delivered a smaller number of good projects rather than a large list that is not viable.

* **Support and advise East Lothian businesses to recover and grow and work to increase the number of business premises available**

Startup numbers are significantly down on pre-pandemic levels. A previous target was between 250 and 300 startups per year, last year saw around 100 and there have been 58 startups this year (to end September). These are only the numbers of startups with which ELC has a significant level of engagement. Feedback from business shows that people are discouraged from taking on premises and growing businesses too quickly in the current climate.

* **Build on the economic benefits arising from lifestyle changes that have been accelerated by COVID-19**
* **Progress the delivery of the Old Craighall junction upgrade, the food and drink innovation hub, the regeneration of the Cockenzie power station site and further develop our proposals for the Climate Evolution Zone**

These are major strategic sites that feature in the Economic Development Strategy and the Partnership Plan. Junction works in SE edge of Edinburgh have been ongoing since early 2022. Good progress has been made through this year. An update was taken to Council on 25th October on these projects in terms of their place within City Deal.

* In April this year we completed the joint venture structure with QMU for the food and drink innovation hub as well as the wider park.
* In May we appointed a design team from that joint venture, architects were also appointed.
* November 2022 is the next milestone date in terms of the design of the hub building.
* Junction works should be largely concluded in February 2023, this includes a three month delay as there were some infrastructure constraints. Douglas noted that this has been a generally well-managed project.

Business units are also coming forward in Gateside East in Haddington. Douglas recognised that although many businesses are expressing the challenge of growing into premises, the demand for business growth in East Lothian remains strong; the challenge exists around how businesses fund their growth. Douglas expressed the hope for more stability within the economic and political climate. However, things are in a good place to see substantial public investment coming in through the deal.

Cockenzie

We are currently waiting to hear the outcome of our Levelling Up Fund bid. This was a substantial bid that was submitted in early summer, a decision should be reached by April 2023.

Also awaiting confirmation on the application of NPR4 to the site, this will have a substantial impact on where plans can go in terms of land use. Cockenzie is currently behind QMU in the context of planning; however, we are in a good position in terms of control of the site. Lots of activity in terms of servicing road access, as well as ongoing work from offshore energy providers: Douglas noted the expectation that jobs would begin on the site through 2023.

Monica noted that this work has been possible due to many years of planning and putting in place building blocks to enable projects to progress well. She stressed the importance of not resting on our laurels: we need to think about what the next set of building blocks are in terms of potential projects over the next 5 to 10 years.

Douglas agreed the importance of this point and outlined some future projects, including – decommissioning of Torness and thinking about the replacement of those jobs; also the land further east that will be a significant consideration for the next economic development strategy; thinking about the regional prosperity framework as well as the next local development plan.

Monica asked Lawrence Wyper where he sees the investment being best placed.

Lawrence noted that in recent months most of Scottish Enterprise’s focus has been on supporting companies around cost of living and to help companies through advice on the Scottish Government business support website. Lawrence noted Scottish Enterprise are ensuring their response is aligned with other partner organisations and they are making sure businesses have access to advice around reducing their energy usage. Jamie noted that this link has been available on the ELC website for approximately a month.

Paolo wanted to query whether the consideration of future building blocks will form part of the next economic development strategy as this will be key for both this partnership and the council in terms of reviewing the strategy. Jamie confirmed that this would be the core aim.

Jamie noted that discussions have started with management at Torness, as well as with the Nuclear Decommissioning Agency about bringing in support for the economic work. Discussions have begun around supporting the transition from jobs in nuclear into the renewable sector.

* Promote skills development and training in core sectors and in sectors where skills shortages now exist
* Council, Queen Margaret University and Edinburgh College will support young people to transition into positive destinations, including, further or higher education, training, employability programme
* **Identify areas of low network connectivity and work with government and providers to address deficits**

Money was originally allocated within the recovery investment plan last financial year to look at this area. However, this project was never successfully started. The funding for this that is in reserve is currently being accessed to appoint at project manager to look at working with projects and to start to deal with some of the live issues in terms of connectivity around the county and look at this strategy going forwards.

The aim for ultrafast broadband is around 30mbps. The message from Scottish Government on this is that we are very close to 100% (currently 97-98% and expanding).

The next challenge is considering how to push forward the uptake of ultrafast broadband especially within built up areas and for businesses. It is important that we don’t get left behind with this delivery as ultrafast becomes standard, it is also important that we look at what can be delivered in terms of 5g delivery.

Monica asked if it would be possible to get a breakdown of how much of the funds available are going to just keep businesses alive. Jamie agreed that it would be useful to look at what businesses are doing with startup grants – are they completely new businesses, or diversification of existing operations.

**Paolo noted that we will add the report from Jamie following the CEG meeting, as well as an update from Council on the City Region Deal. These will be added into the Recovery and Renewal Plan monitoring framework as well.**

1. By exception updates from Partnerships and Partners

**Connected Economy Group**

Jamie noted that the CEG meeting on 4th November will be looking at purpose, remit and membership – a discussion to look at what partners can get usefully from that group.

**NHS Lothian**

Katie Dee updated on the status of hospitals in the area – hospital sites are really busy. NHS gold command is happening twice daily, there is a lot of pressure on the system in all areas. Monica questioned the reason for this level of strain at this time of year. Katie suggested it is down to a mixture of factors including staff sickness, delayed discharges, a problem with flow through the system. Katie also noted that it is particularly worrying to be seeing this level of demand at this time of year when we haven’t got particularly bad flu or covid admissions. Monica asked whether there was anything we could be doing in response to this, given that East Lothian delayed discharges are very low. Katie noted that the health and social care partnership attend the daily meetings and are therefore up to speed with the changing picture.

**East Lothian Council – cost of living**

Sharon took the opportunity to highlight work being done in support of the cost of living crisis, noting major connections across community and third sector networks as well as having an oversight on the Poverty Plan developed by Paolo’s team; as well as development of initiatives and the dispersal of funding. They have been able to utilise provisions to channel people towards additional support and funding.

Monica queried how we best utilise our resources given the unknown economic future at UK Government and Scottish Government levels: all signals suggesting that public sector funding will be extremely constrained.

**Action: partnership discussion at next meeting around best utilisation of resources going forward. Paolo noted that the next meeting will include a look at where we are with the Poverty Plan as part of the Recovery and Renewal Plan framework, this will give an opportunity to pick up on these points.**