

## Members' Library Service Request Form

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**REPORT TO:** Members' Library Service

**MEETING DATE:**

**BY:** Head of Development

**SUBJECT:** Edinburgh and Southeast Scotland City Region Deal  
– Annual Report

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## **1 PURPOSE**

- 1.1 To summarise the key findings on the appended City Region Deal Annual Report (**Appendix 1**) (approved by the City Region Deal Joint Committee on 1 September 2024).
- 1.2 To update on the date for the next Annual Conversation

## **2 RECOMMENDATIONS**

- 2.1 To note the summary findings of the sixth Annual Report
- 2.2 To note the date for the next Annual Conversation.

## **3 BACKGROUND**

- 3.1 The Edinburgh and Southeast 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<sup>th</sup> September 2020.
- 3.4 The third Annual Report was approved by the City Region Deal Joint Committee on 3<sup>rd</sup> September 2021.

- 3.5 The fourth Annual Report was approved by the City Region Deal Joint Committee on 2<sup>nd</sup> September 2022.
- 3.6 The fifth Annual Report was approved by the City Region Deal Joint Committee on 1st September 2023.
- 3.7 The sixth Annual Report was approved by the City Region Deal Joint Committee on 1st September 2024.

### **ANNUAL REPORT – OVERVIEW**

- 3.8 The Annual Report for 2023/24 is an overall progress report for the City Region Deal programme between 1 August 2023 and 31 July 2024.
- 3.9 It contains a City Region Deal overview, Financial Statement, a short summary of progress on each project and programme and expected milestones to be achieved in the next year. A series of case study videos are embedded in the report to demonstrate how the Deal's projects and programmes are benefiting people.

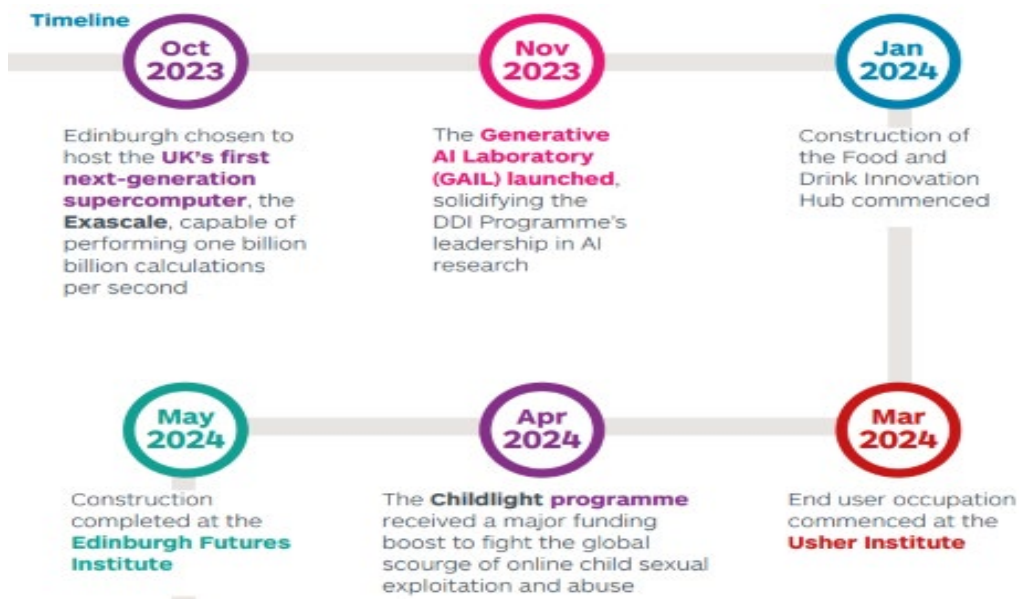
### **ANNUAL REPORT – SUMMARY OF PROGRESS**

- 3.10 The report demonstrates significant progress across the 20 projects and programmes within the City Region Deal.
- 1 project is in Stage 1: Define (which means that the project's business case is yet to be completed),
  - 8 are 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),
  - 14 are Stage 3: Deliver (which means that the project has been implemented and is working towards delivering its objective)s.
  - 16 projects are projected to be on target to be completed on time (green score) or have been completed on time.
  - 6 projects were delayed, but considered to be within an acceptable range, with management action in place to address the issue (amber score).
  - 7 projects are projected to be on target to be completed within the specified budget (green score) or have been completed within the specified budget.
  - 3 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).
  - 1 Project is projected to spend outwith the acceptable range for the financial year (red score) and immediate action is required to address the issues it faces.

- Since the Deal was signed, partner investment projections have increased by over £200m. As a result, the value of the Deal is now almost £1.5 billion.

## KEY ACHIEVEMENTS

- £2.2 bn of Gross Value Added to the City region Scottish and UK economy.
- Over 20,000 job opportunities created/supported by the City Region Deal activities.
- 47% of total Government allowance has been drawn down in first 5 years of 15-year programme.
- 100% of total government allowance for 23/34 has been drawn down.
- Over 100,000 students have completed data courses, exceeding the overall target.
- Data Driven Innovation has secured over £200m in research funding.
- More than 900 micro, small and medium sized enterprises supported.
- Over 500 apprenticeships and internships supported.
- City region Deal construction projects retain 80% of labour and 83% of spend locally. Over £100,000 donated to regional good causes
- Integrated Regional Employability Skills leveraged an additional 45% on government funding drawn down thus far.





## **ANNUAL REPORT – BENEFITS REALISATION**

- 3.11 Page 67 of the Annual report sets out an overview of the great progress in the Benefits Realisation Monitoring and reporting. In 2024/25, work will continue to be conducted to improve the monitoring and evaluation in benefits realisation reporting. The Deal’s Benefits Realisation Officer will continue to work with other Deals to share learning and collaborate to ensure the highest quality, accuracy, and presentation of project benefits. More work will also take place to determine how the benefits can be maximised within projects, and disbenefits can be minimised. Finally, work will be undertaken to revise the benefits realisation plan to update the timescales, monitoring, and other details to ensure the document remains accurate, practical, and effective in guiding the approach to benefits realisation, monitoring, and evaluation.

## **ANNUAL REPORT – FINANCIAL STATEMENT**

- 3.12 A summary of the City Region Deal total over a fifteen-year period is shown at Pages 16 17, and 18 of the Annual Report.

## ANNUAL REPORT – THE YEAR AHEAD

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

Date	Milestone
Aug 24	Edinburgh International Book Festival in the new Futures Institute building.
Sep 24	Joint Committee meeting where the following items will be considered: <ul style="list-style-type: none"> <li>• City Region Deal Annual Report.</li> <li>• City Region Deal Benefits Realisation: Six-Monthly update.</li> <li>• Internal Audit – Update.</li> <li>• Housing Programme Annual Update.</li> <li>• Internet of Things in Schools: Progress Update.</li> <li>• Strategic Sites Investment Prospectus.</li> </ul>
Sep 24	Open the first dedicated Telecoms Training Academy in Scotland providing six funded places for local people to embark on a career in this industry. The programme will be accredited and guaranteed support and interviews offered upon successful completion.
Sep 24	Levenmouth Business Units Complete (part of the Fife I3 Programme).
Dec 24	Joint Committee meeting where the following items will be considered: <ul style="list-style-type: none"> <li>• A720 Sheriffhall Six-Monthly update from Transport Scotland.</li> <li>• Borders Innovation Park (Phase 2) Change Control.</li> <li>• Culture Programme Annual Update.</li> <li>• Edinburgh and South East Scotland City Region Innovation Action Plan.</li> <li>• Integrated Regional Employability and Skills Annual Update.</li> </ul>
Early 25	Main construction begins at Dunard Centre
Jan 25	Establish Robotics Scotland with the Scottish Government as a catalytic change programme for economic development and growth.
Mar 25	Joint Committee meeting where the following items will be considered: <ul style="list-style-type: none"> <li>• City Region Deal Benefits Realisation: Six-Monthly Update.</li> <li>• Data-Driven Innovation Programme Annual Update.</li> </ul>
Mar 25	Fife Interchange North Units Complete (part of the Fife I3 Programme).
Spring 2025	• Granton Waterfront Final Business Case complete.
Jun 25	Joint Committee meeting where the following items will be considered: <ul style="list-style-type: none"> <li>• A720 Sheriffhall six-monthly update from Transport Scotland.</li> <li>• Transport Programme Annual Update.</li> </ul>
Jul 25	Start of construction of Phase 2 office building at Borders Innovation Park.
Jul 25	Completion of the construction of the Edinburgh Innovation Hub at Queen Margaret University.

## ANNUAL CONVERSATION - UPDATE

- 3.14 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 this year is intended to take place on 12<sup>th</sup> December 2024.

#### **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

#### **7 BACKGROUND PAPERS**

- 7.1 Edinburgh and Southeast 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 Southeast Scotland Region - City Deal Proposition 19 July 2017
- 7.4 Edinburgh and Southeast Scotland City Region Deal – Report to East Lothian Council 28 June 2016
- 7.5 City Region Deal Document (August 2018)
- 7.6 Edinburgh and Southeast Scotland City Region Deal (ESES CRD) – Annual Report, Annual Conversation and Regional Growth Framework Update - 29 October 2019.
- 7.7 - Edinburgh and Southeast 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 Edinburgh and Southeast Scotland City Region Deal – Annual Report and Queen Margaret University Update 27<sup>th</sup> October 2021
- 7.10 Edinburgh and Southeast Scotland City Region Deal – Annual report and Innovation Hub – October 2022
- 7.11 City Deal Annual report incorporating an Update on Regional Prosperity Framework Project Development

**Appendix 1 - City Region Deal Annual Report – 2023/2024**

<b>AUTHOR'S NAME</b>	Catherine Molloy
<b>DESIGNATION</b>	Project Manager - Development
<b>CONTACT INFO</b>	01620827222
<b>DATE</b>	October 2024



# CITY REGION DEAL

Edinburgh  
& South East  
Scotland

## ANNUAL REPORT 2023 – 2024





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# Executive Summary

## Key Achievements



**£2.2bn** of Gross Value Added to the City Region, Scottish and UK economy.



Over **20,000** job opportunities created or supported by City Region Deal activities.



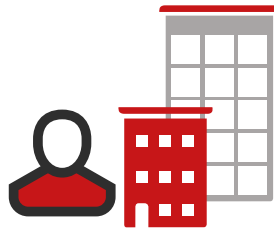
**100%** of total Government allowance for 23/24 has been drawn down.



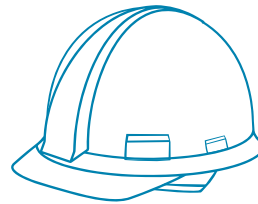
Over **100,000** students have completed data courses, exceeding the overall target.



DDI has secured over **£200m** in research funding.



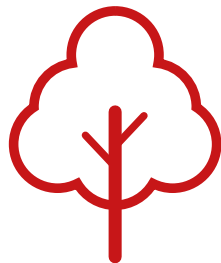
More than **900** micro, small and medium sized enterprises supported.



Over **500** apprenticeships and internships supported.



City Region Deal construction projects retain **80%** of labour and **82%** of spend locally.



Over **£100,000** donated to regional good causes.



IRES has leveraged an additional **45%** on government funding drawn down thus far.



## Executive Summary

### Timeline

**Oct  
2023**

Edinburgh chosen to host the **UK's first next-generation supercomputer**, the **Exascale**, capable of performing one billion billion calculations per second

**Nov  
2023**

The **Generative AI Laboratory (GAIL) launched**, solidifying the DDI Programme's leadership in AI research

**Jan  
2024**

Construction of the Food and Drink Innovation Hub commenced

**May  
2024**

Construction completed at the **Edinburgh Futures Institute**

**Apr  
2024**

The **Childlight programme** received a major funding boost to fight the global scourge of online child sexual exploitation and abuse

**Mar  
2024**

End user occupation commenced at the **Usher Institute**

**May  
2024**

The **Data Education in Schools (DES)** team won **Education Initiative of the Year** at the 2024 British Data Awards

**May  
2024**

Ministerial launch of the **bus driver recruitment campaign**

**Jun  
2024**

Site clearance and enabling works completed at **Dunard Centre**

**Jun  
2024**

**West Edinburgh Transport Improvement Plan Business Case approved** by Joint Committee



## Executive Summary

### Video Highlights

A showcase of the diverse and innovative initiatives supported by the Edinburgh and South East Scotland City Region Deal, featuring the people and organisations behind the projects, their delivery partners across the region, and those who are benefiting.

#### Edinburgh Innovation Hub (QMU)

A flagship development delivered by East Lothian Council and Queen Margaret University, the Edinburgh Innovation Hub will offer an opportunity to capture, support and grow innovation-led enterprises alongside other like-minded organisations. The Hub is designed for companies seeking labs and offices, with a range of service including meeting rooms and business support all under one roof. We spoke to the construction team working on the Edinburgh Innovation Hub as well as those managing the delivery of this project to find out more.



#### Data Skills Credits

Part of the City Region Deal's Data Skills Gateway strand, the Data Skills Credit scheme is delivered by DataLab and has surpassed 1000 participants. It is focused on improving the data and digital skills of people in the region. DataKirk applied to DataLab for the Data Skills Credits, allowing them to deliver courses for disadvantaged communities.



#### Using data to support public services

Team members from the City of Edinburgh Council's Housing and Homelessness department have been taking part in the University of Edinburgh's Bayes Centre Data Management Fundamentals course, aiming to enhance decision making, develop more insights, improve efficiency and, ultimately, service delivery.



#### Sustainable Transport Corridor

The Bush Loan Junction is the first phase of the A701 Improvement programme (Midlothian). This programme of enabling transport infrastructure will improve traffic flow in the A701 corridor, promote active travel and enhance public transport infrastructure, supporting a shift away from private car usage in this area. The upgraded junction at Bush Loan will allow further expansion at the University of Edinburgh's Easter Bush campus and across the Midlothian Science Zone, which is a key economic driver for the region.



#### Bus Driver Recruitment Campaign

The Workforce Mobility Project, Integrated Employer Engagement team, bus operators and regional employability partners delivered a series of bus driver recruitment roadshows across the city region through May and June 2024. Launched by the Minister for Agriculture and Connectivity, the roadshows were a great example of collaborative working across the region to help operators overcome a shortage of bus drivers, while creating new connections with employability partners. It has also showcased the importance of bus drivers to support our communities and economy, while highlighting the fantastic career opportunities that are available with operators across our region. Ongoing recruitment support is still available at Bus Driver Careers Helix.





## Executive Summary

### Retrofit Curriculum Development

The Integrated Employer Engagement project has established a curriculum offering which addresses localised Retrofit skills training needs. Working with The Verdancy Group, a NOCN accredited Level 2 Understanding Domestic Retrofit qualification was created and launched in early 2024. Over 100 delegates across the region have taken part in the award including college lecturers, advanced level college students, local authority employees and employers across the region.



### Usher Building Community Impact

McLaughlin and Harvey, the main contractor responsible for constructing The Usher Building, part of the University of Edinburgh's Usher Institute, have exceeded all social value targets outlined in the construction contract. The project has achieved excellent community engagement, surpassing all set priorities in areas such as employability, enterprise, and environmental initiatives.





## 1. Forewords

### **Cllr Lawrence Fitzpatrick**

Convener, Edinburgh  
and South East Scotland  
City Region Deal Joint Committee

The Edinburgh and South East Scotland City Region Deal goes from strength to strength. Now worth over £1.5bn, it provides the greatest return on investment of any city region or growth deal in Scotland. It is providing economic growth, enhancing infrastructure, creating sustainable communities and making sure that people in all parts of the region benefit with over 20,000 job opportunities created and over 3,600 new homes having been built. This has been achieved through a strong and effective regional partnership led by our six local authorities, four universities, six colleges and the Regional Enterprise Council.

The opening of Edinburgh Futures Institute, which has transformed the much-loved Old Edinburgh Royal Infirmary, provides over 21,000 square metres of space devoted to work, study, research to devise new solutions to global challenges. The revitalised building is open to the public and I was honoured to Chair the Edinburgh and South East Scotland City Region Joint Committee meeting there in June. The Usher Institute, which utilises data to develop innovative models of health and social care that improve lives, is also now operational.

The Edinburgh Innovation Hub, a joint venture between East Lothian Council and the Queen Margaret University, is under construction and represents a flagship development for innovation and tech-based enterprise. In Fife, Tranche 3 of the Fife Industrial Innovation Investment programme was approved; the programme is working well in addressing market failure in the

private sector provision of essential business infrastructure required to increase the stock of serviced employment land.

The Integrated Regional Employability and Skills (IRES) Programme continues to evolve, streamline, and integrate the region's employability and skills system. Over 336,000 skills enhancements and 7,899 job outcomes have been delivered through the programme to increase employment and career progression opportunities for the region's residents. The programme already surpassed its eight year targets and is essential to ensure that everyone has the ability to benefit from the opportunities created by the Deal. IRES was nationally recognised with the project team winning the Project and Programme Management Award at the annual Scottish Public Service Awards last December.

The approval of the West Edinburgh Transport Improvement Programme (WETIP) in June means that that 19 of the Deal's 20 projects are now either in implementation or delivery. WETIP will advance an essential package of public transport and active travel interventions which are needed to: provide early sustainable development; support mode shift towards public and active travel; and target an improvement in air-quality in an area earmarked for substantial growth.

Greater detail about each project can be found in Section 4 of this report, and six new case-study videos have been produced to highlight the positive impact that projects are having on our residents' lives.

### **Cllr Lawrence Fitzpatrick**





Next year, we will continue to build upon the Deal's core projects whilst utilising our strong partnership to tackle our region's major challenges. The ambitious and dynamic series of programmes set out in Regional Prosperity Delivery Framework are being developed into a number of regional business cases that will address: climate and net zero ambitions; visitor economy and culture opportunities; regional energy plans; strategic housing delivery; regional transport projects; and support the Forth Green Freeport.

In the coming years I also look forward to the Deal's key role in supporting the development of the seven major strategic sites as identified in the City Region Deal document. Together these sites will deliver over 41,000 new homes, create, 8,400 jobs and contribute over £30 billion to the wider economy. The commitment from the Scottish Government of at least £50 million will allow the Joint Committee to consider investment-ready business cases for all seven sites. As Leader of West Lothian Council, I am keen for there to be positive discussions on the creation of a railway station for Winchburgh.

I would like to extend my heartfelt gratitude to all our partners, stakeholders, and community members for their continuing support and dedication to the regional partnership.

As we embark on another year of progress and innovation, I am confident that we will continue to build on our successes and create a brighter, more prosperous future for the Edinburgh and South East Scotland City Region.



## 1. Forewords

It has been a pleasure to reflect on the significant progress made in Year 6 of the Edinburgh and South East Scotland City Region Deal. **The Regional Enterprise Council (REC)** was formed in November 2018 to advise the Deal's decision-making body, the Joint Committee, on the delivery of projects across the city region and to encourage further investment opportunities. In directly participating on the Joint Committee and Elected Member Oversight Committee, we represent business, social enterprise and wider third sector across the region and help to ensure that the benefits from the Deal support our shared ambition for achieving sustainable and inclusive economic growth throughout the city region. REC members bring a broad range of experience, expertise and wide networks to best represent business, social enterprise and wider third sector across the city region.

We are pleased to say that we have witnessed great progress around the six Data-Driven Innovation hubs, with building work now complete at Edinburgh Futures Institute and the Usher Institute. Both hubs will become fully operational in the coming months joining Bayes Centre, National Robotarium, Easter Bush and Edinburgh International Data Facility in the delivery phase. We have high expectations around these hubs collaborating with businesses, the wider third sector and the public sector to use data to innovate – and look forward to reporting back on achievements in future years.

The construction phase of the Edinburgh Innovation Hub has begun with completion of the build scheduled for 2025. The facility based at Queen Margaret University will deliver flexible laboratory and office space to small to medium sized enterprises (SMEs) within the food and drink sector and other

**Garry Clark**  
Chair, Regional  
Enterprise Council



**Neil McLean**  
Vice Chair, Regional  
Enterprise Council



important economic sectors, including tech and life sciences. This project will provide great opportunities for existing and new businesses, and we are keen to work closely to maximise the benefits.

Following the successful delivery of Phase 1 and 2 of the Fife i3 programme, we are pleased to see Phase 3 having been approved and the programme is on track to provide 10,266m<sup>2</sup> of new business accommodation. The pragmatic nature of the deal has also been evident in the decision to revisit the plans for Borders Innovation Park Phase 2 to meet market demand.

Following the REC's support for the successful Forth Green Freeport bid, we were pleased to visit Forth Ports earlier this year to be updated on progress and are delighted that the initiative is now officially **"Open for Business"** with a strong focus on quality jobs, upskilling, small business facilities and a 'Just Transition' away from hydrocarbons.

The REC previously helped develop the Regional Prosperity Framework vision as well as shape the related **Delivery Framework**. Although funding has been challenging, it's encouraging that progress on the ambitious 20-year economic plan has begun with initial Net Zero Accelerator Hub feasibility work, Climate Ready South East Scotland consultation and Visitor Economy research.



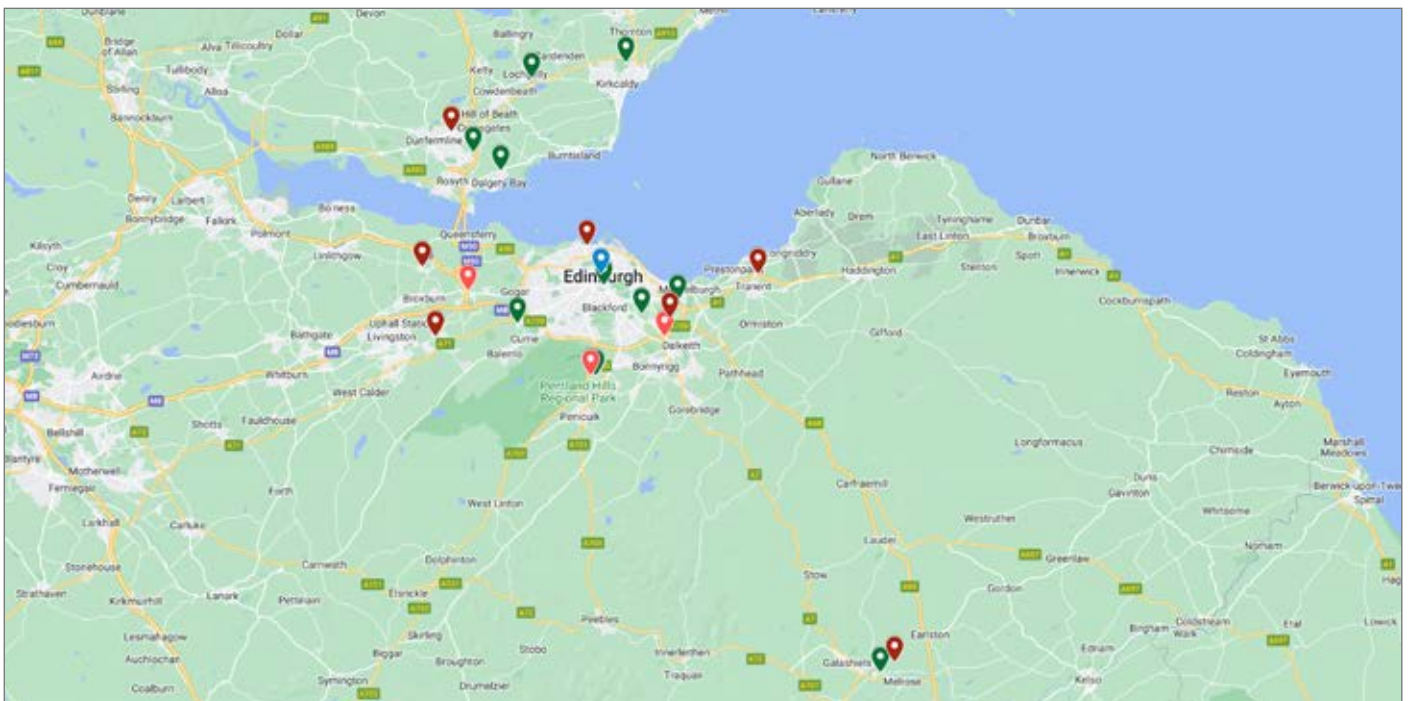
We consider the Integrated Regional Employability and Skills (IRES) programme to be the red blood cells in the City Region Deal, carrying oxygen to the rest of the programmes. IRES has already exceeded its overall targets at the 5-year point of the 8-year programme and scooped the coveted Project & Programme Management Award at the Scottish Public Service Awards in December 2023. The REC feel strongly that IRES should continue for the full 15 years of the Deal and intend to play our part in developing a proposal for post March 2027 aligned to businesses, social enterprises and the wider third sector across the region.



## 2. City Region Deal Overview

### Status of Projects and Finances

The Edinburgh and South East Scotland City Region Deal is now a **£1.5 billion, 15-year programme** aimed at driving productivity and reducing inequalities through five key themes:



**This map shows where the projects are located across the region**

Integrated Regional Employability and Skills (IRES) activity spans across the whole City Region and is integrated into all projects.

-  Research, Development and Innovation
-  Transport
-  Culture
-  Strategic Housing Sites



## 2. City Region Deal Overview

The City Region Deal projects are listed in the Table below. More detail on the projects, including their current status in **Section 4**.

**Table 1: Status of Programmes and Projects – July 2024**

Theme/Programme/Project	Location	(Expected) Business Case Approval	Stage	On Time?	On Budget?
<b>Research, Development and Innovation</b>					
Edinburgh International Data Facility	Edinburgh/Midlothian	<b>Dec 18</b>	3. Deliver		
Bayes Centre	City of Edinburgh	<b>Dec 18</b>	3. Deliver		
National Robotarium	City of Edinburgh	<b>Dec 18</b>	3. Deliver		
Edinburgh Futures Institute	City of Edinburgh	<b>Mar 19</b>	3. Deliver		
Usher Institute	City of Edinburgh	<b>Sep 19</b>	3. Deliver		
Easter Bush	Midlothian	<b>Mar 21</b>	2. Implement		
Edinburgh Innovation Park (Food and Drink Innovation Hub)	East Lothian	<b>Jun 21</b>	2. Implement		
Fife Industrial Innovation Investment	Fife	<b>Mar 19</b>	2. Implement		
Borders Innovation Park	Scottish Borders	<b>Mar 19</b>	2. Implement		
<b>Integrated Regional Employability and Skills</b>	Cross-Regional	<b>Dec 18</b>			
Integrated Knowledge Systems	Cross-Regional	<b>Jun 19</b>	3. Deliver		
Labour Market Analysis and Evaluation	Cross-Regional	<b>Jun 19</b>	3. Deliver		
Integrated Employer Engagement	Cross-Regional	<b>Jun 19</b>	3. Deliver		
Intensive Family Support	Cross-Regional	<b>Mar 19</b>	3. Deliver		
Data-Driven Innovation Skills Gateway	Cross-Regional	<b>Mar 19</b>	3. Deliver		
Housing and Construction Infrastructure Skills Gateway	Cross-Regional	<b>Mar 19</b>	3. Deliver		
Workforce Mobility	Cross-Regional	<b>Jun 19</b>	3. Deliver		

Table continues overleaf



## 2. City Region Deal Overview

The City Region Deal projects are listed in the Table below. More detail on the projects, including their current status in **Section 4**.

**Table 1: Status of Programmes and Projects – July 2024**

Theme/Programme/Project	Location	Business Case Approval	Stage	On Time?	On Budget?
<b>Transport</b>					
West Edinburgh	City of Edinburgh	<b>Jun 24</b>	2. Implement		
A720 (Sheriffhall Roundabout)	Edinburgh/Midlothian	<b>TBC</b>	1. Define		
<b>Culture</b>					
Dunard Centre	City of Edinburgh	<b>Mar 22</b>	2. Implement		
<b>Regional Housing Programme</b>	Cross-Regional	<b>Sep 19 (work prog report)</b>			
Affordable Housing Programme	Cross-Regional	<b>N/A</b>	3. Deliver	<b>N/A*</b>	<b>N/A*</b>
Seven Strategic Sites	Cross-Regional	<b>Winchburgh: Aug 18 Dunfermline: Jun 21 Others TBC</b>	2. Implement		
Regional Delivery Alliance	Cross-Regional	<b>N/A</b>	2. Implement		<b>N/A*</b>
Housing Company	Cross-Regional	<b>N/A</b>	3. Deliver		

\* No Government funding through the City Region Deal

### Project Stages

Stage no.	Definition
1. Define	Business case being developed, and not yet approved by Thematic Board and Joint Committee.
2. Implement	Business case has been approved by Thematic Board and Joint Committee, and is being implemented. In a capital project, this may be construction; for skills projects this may be establishing a course or system.
3. Deliver	Project is in place and benefits realisation framework to assess if it is achieving its objectives.
4. Legacy	Project has resulted in mainstreaming or improvements to business as usual (impact) that is generated beyond the funded period.

### T: Timeline B: Budget

RAG Status	Definition – Timeline	Definition – Budget	Mitigation
	Progressing in line with Implementation Plan or complete.	Project is in sound financial health. No significant financial concerns. Spending largely in line with profile.	No mitigation required
	Moderate Delay.	Project is financially stable. Some low to moderate financial concerns. Spending is for the most part in line with profile.	Project team must have actions in place for improvement. Project should be closely monitored by senior management and relevant boards.
	Delay is significant.	Project has some moderate to high financial concerns. Significant concerns with slippage.	Project team must have actions in place to establish a strategy to urgently address issues, with oversight from senior management and relevant boards.



## 2. City Region Deal Overview

### Stages

As of 1 August 2024:

**1** Projects are in



Define, which means that the project's business case is yet to be completed

**8** Projects are in



Implement, which means that the project's business case has been approved by Joint Committee and is in the process of being implemented

**14** Projects are in



Deliver, which means that the project has been implemented and is working towards delivering its objectives

### Time and Budget

**16** Projects

are considered to be on target to be completed on time (green score) or have been completed on time

**6** Projects

are delayed, but considered to be within an acceptable range, with management action in place to address the issue (amber score)

**17** Projects

are considered to be in sound financial health, with spending largely in line with profile (green score)

**3** Projects

are considered to be financially stable, but with some low to moderate financial concerns (amber score)

**1** Project

considered to have some moderate to high financial concerns (red score)

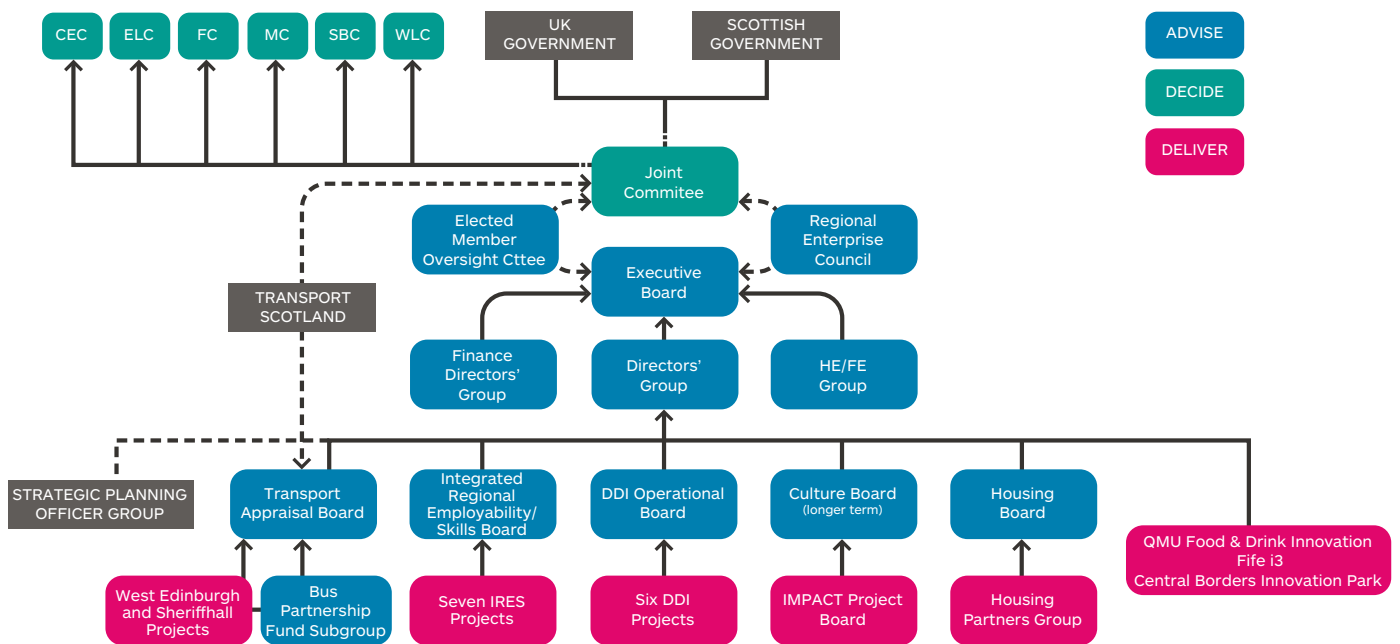


## 2. City Region Deal Overview

### Governance

The City Region Deal has a comprehensive governance structure as shown below. This is summarised in the diagram below. There is more detail on the Boards and Groups in Section 3 of the **Deal Document**:

### Functioning Governance





### 3. Financial Statement

This City Region Deal identifies new and more collaborative ways that partners will work with UK Government and Scottish Governments to deliver change to the city regional economy. The Governments are jointly investing £600 million over 15 years and regional partners committed to adding in excess of £700 million, overall representing a deal worth £1.3 billion. Since the Deal was signed, partner investment projections have increased by over £200m. As a result, the value of the Deal is now £1.5 billion. A summary of the City Region Deal total over a fifteen-year period is shown in the Table 2.



**Table 2 Edinburgh and South-East Scotland City Region Deal Financial Summary**

Project	SG (£m)	UKG (£m)	Partner Capital (£m)	Partner Revenue (£m)	Total Funding (£m)
Bayes Centre	2.24	30.31	11.95	68.75	<b>113.26</b>
Borders Innovation Park	15.00	0.00	14.14	0.00	<b>29.14</b>
Easter Bush	1.27	16.10	27.29	12.47	<b>57.14</b>
Easter Bush Link Road	0.00	10.90	57.10	0.00	<b>68.00</b>
Edinburgh Futures Institute	2.24	55.68	137.45	93.76	<b>289.13</b>
Edinburgh Innovation Hub	1.42	28.58	27.98	0.00	<b>57.98</b>
Edinburgh International Data Facility	0.67	78.93	29.95	24.56	<b>134.11</b>
Fife i3 Programme	35.00	0.00	23.04	0.00	<b>58.04</b>
National Robotarium	1.43	21.04	0.00	0.00	<b>22.47</b>
Usher Institute	0.73	48.46	24.07	27.91	<b>101.17</b>
<b>Total Research, Development &amp; Innovation</b>	<b>60.00</b>	<b>290.00</b>	<b>352.97</b>	<b>227.46</b>	<b>930.43</b>
Dunard Centre	10.00	10.00	94.00	0.00	<b>114.00</b>
<b>Total Culture</b>	<b>10.00</b>	<b>10.00</b>	<b>94.00</b>	<b>0.00</b>	<b>114.00</b>
Integrated Regional Employability & Skills Programme	25.00	0.00	0.00	7.15	<b>32.15</b>
<b>Total Integrated Regional Employability &amp; Skills</b>	<b>25.00</b>	<b>0.00</b>	<b>0.00</b>	<b>7.15</b>	<b>32.15</b>

Table continues overleaf



### 3. Financial Statement

Project	SG (£m)	UKG (£m)	Partner Capital (£m)	Partner Revenue (£m)	Total Funding (£m)
A720 Sheriffhall Roundabout*	120.00	0.00	0.00	0.00	<b>120.00</b>
West Edinburgh Public Transport Improvement Programme	20.00	0.00	16.00	0.00	<b>36.00</b>
<b>Total Transport</b>	<b>140.00</b>	<b>0.00</b>	<b>16.00</b>	<b>0.00</b>	<b>156.00</b>
New Housing Partnership – Edinburgh Living**	15.00	0.00	248.00	0.00	<b>263.00</b>
Housing Infrastructure Fund**	50.00	0.00	0.00	0.00	<b>50.00</b>
<b>Total Housing</b>	<b>65.00</b>	<b>0.00</b>	<b>248.00</b>	<b>0.00</b>	<b>313.00</b>
<b>Grand Total</b>	<b>300.00</b>	<b>300.00</b>	<b>710.93</b>	<b>234.61</b>	<b>1,545.58</b>

\*Includes £120m for Sheriffhall roundabout to be delivered by Transport Scotland.  
 \*\* Funding issued by Scottish Government (Housing). Partner contribution of £248m relates to CEC on-lending.



### 3. Financial Statement

The City Region Deal Financial Summary for the period of April 2023 to March 2024 is set out in Table 3.

Total expenditure for the year amounted to...



**Table 3 Edinburgh and South-East Scotland City Region Deal 2023/24**

Project	2023/24	Cumulative (2018/19 - 2023/24)	
	CRD Expenditure (£m)	CRD Expenditure (£m)	CRD Expenditure as % of Funding
Bayes Centre	0.00	32.55	100%
Borders Innovation Park	0.50	2.83	19%
Easter Bush	0.87	17.37	100%
Easter Bush Link Road	0.58	1.48	14%
Edinburgh Innovation Hub	3.38	4.58	15%
Edinburgh Futures Institute	0.00	57.92	100%
Edinburgh International Data Facility	14.38	65.30	82%
Fife i3 Programme	6.54	19.77	56%
National Robotarium	1.88	22.16	99%
Usher Institute	0.08	49.21	100%
<b>Total Research, Development &amp; Innovation</b>	<b>28.21</b>	<b>273.17</b>	<b>70%</b>
Dunard Centre	5.29	12.08	60%
<b>Total Culture</b>	<b>5.29</b>	<b>12.08</b>	<b>60%</b>
Integrated Regional Employability & Skills Programme	4.21	15.76	63%
<b>Total Integrated Regional Employability &amp; Skills</b>	<b>4.21</b>	<b>15.76</b>	<b>63%</b>
A720 Sheriffhall Roundabout*	0.26	6.57	5%
West Edinburgh Public Transport Improvement Programme	0.15	0.32	1%
<b>Total Transport</b>	<b>0.41</b>	<b>6.89</b>	<b>5%</b>
New Housing Partnership – Edinburgh Living**	0.00	15.00	100%
Housing Infrastructure Fund**	0.00	0.00	0%
<b>Total Housing</b>	<b>0.00</b>	<b>15.00</b>	<b>23%</b>
<b>Grand Total</b>	<b>38.12</b>	<b>322.89</b>	<b>54%</b>

\*Scottish Government funded. Transport Scotland taking forward scheme delivery.  
 \*\* Funding issued by Scottish Government (Housing).

Across the Deal programme, £322.89 million of the £600 million government funding has been drawn down to March 24. This includes funding issued by Transport Scotland and Scottish Government Housing Department.



## 4. The Deal – summary of progress

This section summarises the themes, programmes and projects within the City Region Deal. It details the progress that has been made in line with the Implementation Plan.



Quarterly performance reports are shared between the Project Management Office (PMO) and Governments throughout the year and are published at each Joint Committee meeting.



## 4. The Deal – summary of progress

### Data-Driven innovation

In 2018, the signing of the Edinburgh and South East Scotland City Region Deal set us on an exciting journey to become the ‘data capital of Europe’. The **Data-Driven Innovation** (DDI) initiative is at the heart of this journey, a visionary collaboration between the University of Edinburgh and Heriot-Watt University. The DDI initiative is a network of hubs where academic experts and external partners come together to tackle some of the world’s most pressing issues.

All six DDI hubs are now open in their physical locations, sparking innovation and addressing real-world challenges. Take **Edinburgh Futures Institute**, for example. It has transformed the historic Royal Infirmary building into a vibrant space for exchanging ideas and debating solutions. Meanwhile, the new **Usher Institute** uses data to revolutionise health and social care.



In April, the National Robotarium announced it had purchased Ameca from Engineered Arts, making it the first facility in the UK to host the ‘world’s most advanced’ humanoid robot.



In May, the Data Education in Schools (DES) team scooped top prize for Education Initiative of the Year at the British Data Awards.



In July, the University of Edinburgh and Fife College announced Space Bridges, a training programme to recruit a range of skilled professionals and tradespeople to take up opportunities within the UK’s growing space sector.



## 4. The Deal – summary of progress

### Key Milestones and Achievements

This past year has been remarkable for the DDI initiative, with several significant milestones:

Date	Milestone
Oct 23	Edinburgh was chosen to host the UK's first next-generation supercomputer, the <b>Exascale</b> , capable of one billion billion calculations per second. The change of Government has seen this, along with all research compute be subject to a review, under the new UK Government's Artificial Intelligence (AI) Opportunities Action Plan. University of Edinburgh are inputting to this, to continue to make the case for EXASCALE, and its benefits for the UK.
Nov 23	The <b>Generative AI Laboratory (GAIL) launched</b> ; a hub for developing safe and effective AI solutions for industry and government, solidifying our leadership in artificial intelligence research.
Apr 24	The <b>Childlight</b> programme received a major funding boost to fight the global scourge of online child sexual exploitation and abuse. Led by Professor Debi Fry, Childlight also published the first global index on online child abuse, providing vital insights to combat this issue.
May 24	The <b>Data Education in Schools (DES)</b> team won <b>Education Initiative of the Year</b> at the 2024 British Data Awards. Since its inception, DES has engaged around 40,000 participants, from schoolchildren to adults returning to the workforce, enhancing data literacy in over 850 schools.

### Broader Impact and Future Outlook

These milestones are part of a larger story of progress and impact. In the 2022-23 academic year alone, the DDI initiative achieved:

- **35,000 course completions**, equipping learners with essential skills for the data and AI era.
- **£127 million in research activity**, surpassing our target by 125%.
- **Support for 41 data-centric technology companies**, bringing our total to 433 innovative start-ups driving fresh ideas and solutions in our region.

(2023-24 Key Performance Indicators will be verified in December.)



## 4. The Deal – summary of progress

This year has seen considerable growth in the entrepreneurship programmes at **Bayes**, in its role as the DDI Hub for Entrepreneurship. A partnership with Barclays Eagle Labs, funded by the Department for Science, Innovation & Technology, enabled the Venture Builder Incubator programme to support founders in the Robotics & Autonomous Systems sector with support from the National Robotarium. Work continued with Cancer Research Horizons to support a cohort of founders working in oncology innovation.

The established co-located community at Bayes has grown to nearly 40 organisations of all sizes and across sectors. This year, a number of exciting collaborations between partners, academics and students have taken place, using data science and Artificial Intelligence (AI) to create innovative solutions in everything from consumer goods to medical images.

The Bayes Research team has continued to develop three key programmes for the Centre. Bayes Innovation Fellows is coming to the end of its inaugural year, with five Fellows concluding a programme offering unrivalled training, mentoring and support to high-value research commercialisation concepts. £100k of Bayes Seed Funding has also been distributed among 15 Data Science and AI-related research projects with a focus on interdisciplinarity and/or industry engagement. The Centre's Data Assets Strategy is similarly well underway with the development of a Virtual Research Assistant tool to revolutionise data discoverability and utilisation in research.



The AI hub for Causality in Healthcare AI (CHAI) launch event



Prof Sotos Tsaftaris, Hub Director, at the CHAI launch event



Prof Mark Logan, Chief Entrepreneurial Advisor to the Scottish Government at EIE24



Prof Kim Graham, Provost of University of Edinburgh welcomed guests to the EIE24 Gala Dinner



## 4. The Deal – summary of progress

### Headline achievements in the past year

- **Bayes Entrepreneurship:** The entrepreneurship portfolio of programmes supported a total of 57 new start-up and scale-up propositions in 23/24.
- **Bayes Education:** 843 enrolments on Data Upskilling Shorts Courses and a further 53 new students enrolled on pathways related to the online Data Science, Technology and Innovations Masters programme.
- **Bayes Community:** The Business Development team played a significant role in engaging industry partners and securing £24m in funding from the Engineering and Physical Science Research Council (EPSRC) for the AI Hubs CHAI (Causality in Healthcare AI with Real Data) and APRIL (AI for Productive Research and Innovation in Electronics) over 5 years. Bayes will continue to support both hubs and work closely with the CHAI Hub as a delivery partner.
- **Bayes Research:** First Bayes Innovation Fellows programme fully operational and next cohort of Fellows appointed for 24/25 session.

### Next milestones

Due Date	Milestone
Oct 24	Grow entrepreneurship programmes, scaling <b>Venture Builder Incubator</b> to support up to 25 founders with an enhanced focus on Health and Social Care and scaling <b>AI Accelerator</b> to support up to 16 companies across all DDI sectors.
Oct 24	Complete user testing of the Virtual Research Assistant Minimum Viable product to accelerate data sharing proposition in collaboration with EIDF.
Apr 25	Successful rollout of ten new Space Bridges Courses to bridge the gap in key short to medium space workforce skills in partnership with Fife College and on behalf of the UK Space Agency.
Jul 25	Secure up to six strategically significant projects led or supported by Bayes with leading industry or public sector partners to establish a robust innovation pipeline for the DDI Platform, resulting in income of up to £1.2m.

### Strategic added value

- 67 staff from the City of Edinburgh Council’s Housing and Homelessness Department successfully completed a bespoke Data Management Fundamentals course.
- Secured over £500k from the UK Space Agency, in partnership with Fife College, to address the identified skills shortages in the UK space sector.
- Relunched **EIE**, a series of events over two days in April 2024, to showcase Scotland’s tech ecosystem in Scotland. Attended by founders, ecosystem partners and approximately 100 investors from the UK and beyond. Keynote speakers at the events included Mark Logan, Scotland’s Chief Entrepreneur and Hannah Jones, CEO of the Earthshot Prize.



## 4. The Deal – summary of progress

The **Easter Bush Agritech Hub**, nucleated within the Royal (Dick) School of Veterinary Studies, continues to leverage world-class facilities, expertise and data infrastructure to maintain a global beacon of Agritech excellence.

The Hub's exceptional research and commercialisation facilities, including colocation spaces for start-ups, provide a multidisciplinary network of experts from higher education, commercial, public and third-sector organisations with the ideal environment to meet the world's most pressing agricultural and one health challenges.

This unique foundation of in-depth Agritech understanding and capability fosters powerful collaboration between researchers, government and industry, informing food and environmental policies that bridge global food system transformation, sustainable agriculture, net zero carbon, and animal and human health, ageing and disease.

The Hub's experts are using data to develop genetics and health innovations for agricultural science and business. In the past year the Hub has seen significant research and adoption growth in areas such as engineering biology, innovative models for medicine, veterinary vaccinology, precision breeding and diagnostics, and aquaculture. The resulting data, analyses and innovations will transform agriculture on a global scale.

The Hub's educational programmes are addressing skills shortages across the industry. Short courses, CPD and postgraduate training foster innovation, with alumni already joining or setting up their own micro-Agritech companies. A new collaborative colocation space opened in spring 2024 within the Roslin Innovation Centre, extending the Hub's capacity to support entrepreneurial talent within Agritech.





## 4. The Deal – summary of progress

### Headline achievements in the past year

#### 1. Launch of a new Roslin Innovation Centre Field Station and dedicated Agri Hub space.

The Field Station will facilitate the attraction of agriculture-based tenants to the region, with three new tenants already in situ at the time of opening. The Agri Hub space, based at the Roslin Innovation Centre and funded by DDI Capital, provides vital office and interaction space to support the Hub's growing cohort of Small and Medium Enterprises.

#### 2. Enhancement of research capabilities.

The Hub's work continues to leverage data, expertise and technical capability to push the boundaries of agricultural science and innovation:

- **Genetic technique makes breeding healthy animals more accessible to small and medium-scale fish farming producers.**
- **A team of scientists studying bird flu has been awarded £3.3 million to further investigate the disease, including understanding immunity in wild birds**
- **Honey bee genetic data resource has potential to cut research costs and help scientists identify key genes for healthy breeding.**
- **A Roslin-led initiative to advance vaccine development for livestock and zoonotic diseases is being supported with a funding award**
- **A project to understand bone health in laying hens aims to support their health and welfare, and inform breeding selection as industry moves towards non-caged systems.**

- **A TB vaccine study extends previous research that showed the effectiveness of a standard TB vaccine when it was given in the first day of life.** The finding enables easier administration of vaccines across a greater timespan to cattle herds during calving season. The outcome represents an important step towards managing TB, a significant livestock disease for which control measures cost at least £100 million each year in England alone

#### 3. Appointment of an Innovation Fellow.

**Dr Daniel Tolhurst** has joined the hub as an Innovation Fellow. These competitive fellowships were developed to harness the research and adoption potential of innovative researchers meeting the world's most pressing challenges through Agritech.

#### 4. First round of BBSRC Campus Innovation Account (CIA) awards.

The awards are for companies and potential companies to innovate, recognising the importance of entrepreneurship in the Hub eco-system. Three project awards were made to staff and student start-ups, all of which continue to contribute to the innovation environment on campus. Three further awards were made to companies to enable access to specific capabilities and expertise on campus, two of which have resulted in partnerships and further collaboration within the Hub.



## 4. The Deal – summary of progress

### 5. Significant advances in data-driven engineering.

Researchers at Roslin have accrued vast datasets over two decades on the sequence, expression and regulation of the chicken genome. They *recently harnessed this data to engineer chickens able to transmit donated genetic material, with diverse applications*. To do this, the team devised a strategy to remove specialised cells that give rise to sperm and eggs (so called primordial germ cells, or PGCs) upon the addition of a harmless chemical. This required the team to identify a gene only expressed in PGCs and couple it to a gene that is lethal to PGCs only in the presence of the chemical. When this is done during embryo development, the resulting chickens are sterile as they lack sperm or eggs. However, these embryos are capable of acting as surrogate hosts for donated genetic material. While the surrogate embryo is developing, PGCs from another chicken (or which have been modified by genome editing), can be precisely injected into the bloodstream via a window in the shell. These ultimately then give rise to sperm or eggs from the donor. If this is done with both male and female embryos, then mating of the resulting chickens results in offspring that only carry the donated genetic material. This technology is being put to many uses, both with businesses and across academia. For example, PGCs can be frozen such that it is no longer necessary to keep flocks alive in case they may be needed in the future; thereby creating a ‘frozen aviary’ and priming contracts to cryopreserve the genetic resources of a global poultry breeder. It has also accelerated the process of making edited lines, for example which carry **mutations that confer resistance to avian influenza**. Hens can also be engineered

to produce high-value proteins in their eggs as ‘bioreactors’. The technology has attracted diverse collaborations and Roslin is sharing its expertise and training others, including via annual **Edinburgh Gallus Genomics & Embryonic Development (EGGED) workshops**.

### Next milestones

#### Commencement of building a new veterinary First Opinion Practice and STEM-focused High School adjacent to the Campus

Planning application has been submitted for this project, with building to commence in early 2025. The veterinary facility will provide the next generation of vets with a learning experience fit for the future, ensuring greater opportunities for first-opinion clinical practice material for teaching students and, crucially, a dedicated programme centred on the financial and practical business skills that graduates need to thrive. This will expand access to first opinion facilities to the Midlothian area, as well as enable expanded outreach and research opportunities in partnership with Beeslack Community High School, which is relocating to land adjacent to Easter Bush from August 2026.

#### Appointment of further Innovation Fellows

These planned appointments will aim to attract new innovative talent to the campus eco-system.

#### Second round of BBSRC Campus Innovation Account awards

Another round of CIA will be awarded to companies and potential start-ups with potential innovation interactions within the Agritech Hub, recognising the importance of entrepreneurial thinking to the campus eco-system. In addition, we will look to fundraise for a founder programme to grow pre-seed entrepreneurial activity at Roslin.



## Further development and evolution of activity

The Hub will continue to develop and evolve its research and adoption activity, which engages with innovative areas such as engineering biology, innovative models for medicine, veterinary vaccinology, aquaculture, and precision breeding and diagnostics, to enable data generation and analysis that will improve the agriculture industry worldwide.

## Strategic Added Value

- An independent Benefit Impact Assessment of the first five years of Roslin Innovation Centre (RIC) found that RIC has delivered qualitative benefits, including establishing an entrepreneurial and innovative culture, enhancing the Easter Bush Ecosystem and enabling tenant companies to access research grant and inward investment funding. Many tenants said their location within the Easter Bush Hub was influential in securing research grants, and approximately half of those interviewed felt it had helped them secure private investments. Since taking up occupancy, tenant companies have received, on average, one or more investments totalling over £100k - this includes several examples of inward investment from outside the UK. Tenants also believed there were 'plentiful' opportunities for further collaboration within Roslin Innovation Centre. The review found clear evidence of positive engagement with schools, colleges, the wider Midlothian community, and the Edinburgh area by Roslin Innovation Centre tenants. It was argued that the most reasonable estimate was an economic return equivalent to £2.86 for every £1 invested (a return of 286%). In addition to economic growth, the report specifically evidenced the impact on regional job employment and regional growth.

**Download a copy of the report.**

- Independent analysis was undertaken on the Roslin Institute which details economic contribution of Roslin Institute to the local, national and global economies. Research carried out at the Roslin Institute contributed almost £20 billion to the global economy, largely through productivity improvements in agriculture and aquaculture, according to an independent economic analysis. This figure includes a contribution of almost £325 million to the UK economy, more than £80 million to Scotland and almost £50 million to the local economy, according to the report from BiGGAR Economics. Their report finds that Roslin's work supports more than 1600 jobs worldwide, including 1325 in the UK and more than 1000 in Scotland. For every £1 of public funds received, Roslin generated £3.40 in Scotland and £13.50 for the UK.

**Download a copy of the report.**



## 4. The Deal – summary of progress

### Edinburgh Futures Institute

**Edinburgh Futures Institute** opened the doors in June 2024 to a data-driven, co-creative, innovation hub at the heart of the University of Edinburgh and the city region. The Futures Institute is an entrepreneurial campus creating a thriving ecosystem with the co-location of research centres, civic and commercial partners alongside students and University staff.

Interdisciplinary by design, the Institute's postgraduate, undergraduate and professional education portfolio supports data-driven innovation and is equipping students with the critical leadership, data and analytical and creative skills needed in a fast-changing world.

The Institute's research culture consolidates the University of Edinburgh's leadership in data-driven innovation research and is delivering impact through multi-million pound research grants in leading-edge fields including the design of responsible AI and robotics. The Institute is developing research capacity across the region by supporting the incubation and growth of interdisciplinary clusters and centres.

Major partnerships have been established through the Institute's key sectors: Financial Services; Creative Industries; Tourism and Festivals; and Public Services, co-creating projects that deliver meaningful impact derived from world-leading research.

### Regional impact

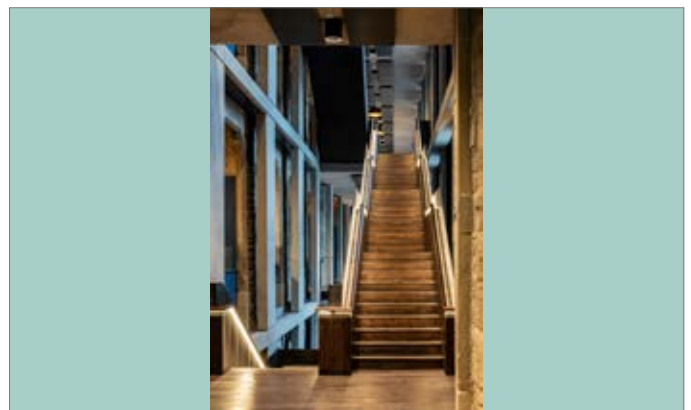
- Culmination of the five-year **Creative Informatics programme** with a series of events and the launch of a new book. The project has led to the creation or retention of 455 jobs and created 212 new products, services, and experiences, which has in turn generated over £7.6 million in further funding and investment.



Main entrance



Beautifully renovated historic building





## 4. The Deal – summary of progress

- **The Scottish Prevention Hub**, a co-directed national partnership between Public Health Scotland, Police Scotland, and Edinburgh Futures Institute, established its physical base in the new Futures Institute in spring 2024.
  - Launched the new data-driven, collaborative partnership **The Centre for Purpose Driven Banking** with NatWest Group, with nine new projects underway, including successful delivery of its first projects: Healthy Habits, which explored correlations between health and spending data; and Quantum Technologies for Machine Learning, which aimed to narrow the gap between academic research and business applications.
  - Hosted Joint Committee Meeting for the Edinburgh and South East Scotland City Region Deal, and the City of Edinburgh Council Planning Committee in the newly opened building.
3. Welcomed the first co-located partners to the Futures Institute building, including Police Scotland and Public Health Scotland, Smart Data Foundry, Architecture & Design Scotland and others as the start of a strong pipeline of partners across our key sectors who will be co-located in the Institute alongside students and researchers.
  4. Hosted major research initiatives focused on collaborative and creative AI futures:
    - **Generative AI Laboratory (GAIL)** will unite the University's world-leading research and innovation in AI to develop safe solutions and systems for industry and government and bring substantial benefits to those who use them.
    - **BRAID**, the Bridging Responsible AI Divides programme, helps organisations develop solutions around the responsible use of AI.
    - **UKRI AI Centre for Doctoral Training in Responsible and Trustworthy in-the-world Natural Language Processing** will train students in the technical, social, design and legal aspects of natural language processing, which underpins many leading-edge AI applications such as personal assistants, chatbots and generative AI applications.

### Headline achievements in the past year

1. Welcomed the second cohort of postgraduate students to campus and online study, and launched a range of transformative scholarships to support widening postgraduate opportunities on our data driven, interdisciplinary portfolio, including the **Luksic Foundation Scholarship, The George David Family Scholarship**, and **British Standards Institute Scholarships**.
2. Delivered the Autumn 2023 public event season '**Power Trip**' including Edinburgh Futures Conversations events on the Future of Leadership and 12 co-created, original events with over 3,000 tickets sold and viewers from all six continents.
5. **Opened the doors** of the transformed Old Royal Infirmary building as the Edinburgh Futures Institute and **welcomed local communities and the wider public with tours and open days**, along with a successful press launch with coverage in local and national media.



## Next milestones

Due Date	Milestone
August 24	Edinburgh International Book Festival in the new Futures Institute building.
Autumn 24	Host visit of the City Region Deal's Regional Enterprise Council.
Autumn 24	Welcome the third cohort of postgraduate students and second cohort of undergraduate Interdisciplinary Futures programme students. Two new postgraduate programmes begin.
Autumn 24	Deliver the Autumn 2024 public event season, including <b>Edinburgh Futures Conversations</b> on the Future of Education.
Autumn 24	Host <b>Doors Open Day</b> weekend programme of public engagement activities for local communities and stakeholders.
Spring 25	Deliver official opening event and public events programme for Spring 2025.
Summer 25	Complete onboarding of partner companies and members of Futures Institute.



## 4. The Deal – summary of progress

### Edinburgh International Data Facility (EIDF)

Achieving the aims of the DDI initiative requires a powerful, high-capacity, and flexible data infrastructure capable of responsive and secure delivery of an ever-expanding range of complex and bespoke data and analytical services. These activities also demand a level of service (e.g., resilient to the loss of power, redundancy of equipment to mitigate the impact of sudden failures) that is not normally required for research computing applications and was not supported by previous facilities.

The **EIDF** City Region Deal investment was made up of four complementary components:

- **EIDF computer room:** a new high resiliency computer room (CR4) at the EPCC's Advanced Computing Facility in Midlothian, to complement the pre-existing three computer rooms, focused on supercomputing system provision for research users;
- **Data and software Infrastructure:** the underlying Data Science Cloud computing and data infrastructure to support the DDI initiative. As part of this component open source, and paid-for advanced data analytics, compute and other software infrastructure is being deployed;
- **Internet of Things (IoT) Service:** a regionally focused IoT network is being deployed across the City Region area, supporting both school-pupil engagement, as well as wider research and industry development; and,
- **Regional Data Haven:** the capacity for a regional data repository, with data provided by City Region Deal Partners, created to support a smart data generation infrastructure, aligned to work at a national level, such as Research Data Scotland, COG-UK, the Smart Data Foundry, and the Regional Health DataLoch Service.



Archer2



Advanced Computing Facility from the air



Nvidia H100 AI Processors



Apollo Server (housing GPU Processors)



## 4. The Deal – summary of progress

### Headline achievements in the past year

EIDF’s focus in 2023/24 has been on the development of novel data and analytical services. We launched a series of data science services for DDI partners and stakeholders. This includes: a GPU Service for high-power compute, 2 Cerebras for AI research, a major upgrade of the Trusted Research Environment to host Safe Haven services and several underpinning data transit and hosting services.

EIDF gets nine applications for access each month, which includes a steady stream of regional companies, and some from wider afield, seeking access to EIDF expertise and resources such as, Legal-Pythia and Advai ATIL.

The IoT Service has completed the roll-out of IoT in Schools sensors in West Lothian with pilots and further progress advancing in other areas. Furthermore, IoT sensors and data capture infrastructure is now in place for the new Care Testbed environment to support studies on dementia using longitudinal data.

View all **EIDF services**.

Date Delivered	Milestone
Nov 23	Launched <a href="#">Graphcore IPU-POD<sub>64</sub> system</a> as part of EIDF, to provide additional novel compute capability to support AI research and development.
Dec 23	<b>Upgraded</b> the <a href="#">Cerebras CS-2 service</a> to a two-machine cluster, to enable research with even larger Large Language Models.
Aug 23	<b>Launched</b> the <a href="#">GPU Service</a> to general use. This has become the most popular reason for applying for EIDF access.
Dec 23	Working with UKRI and EPSRC on the development of the <a href="#">Business Case for Exascale</a> , to be hosted in the Edinburgh and South East Scotland City Region, progressing to a UKRI-led <a href="#">Procurement</a> of the system.
Feb 24	First authority (West Lothian) completed for the IoT in Schools sensor network.
Feb 24	<b>Announced</b> the <a href="#">Safe Haven Container Execution</a> service to enable more flexible use of software in Trusted Research Environments and widen access to Safe Havens beyond UK researchers.
Apr 24	First public <a href="#">Research Data Set for EIDF</a> available for use by anyone. Launched <a href="https://s3.eidf.ac.uk">EIDF S3 https://s3.eidf.ac.uk</a> to enable cloud-based data transits.
Apr 24	<b>Two key papers on COVID outcomes have been published recently</b> , both of which used the Outbreak Data Analysis Platform (ODAP) hosted and managed by EPCC’s Safe Haven Services.
Jun 24	Launched the <a href="#">EIDF Catalogue</a> where researchers can find Research Data Sets hosted on EIDF. <a href="https://catalogue.eidf.ac.uk/">https://catalogue.eidf.ac.uk/</a>
Jun 24	Launched the <a href="#">EIDF Notebook https://notebook.eidf.ac.uk/</a> where researchers can collaborate on Python, R and Julia code to undertake data science on EIDF from the comfort of their own web browser. No software installations or terminal incantations required.



## 4. The Deal – summary of progress

Date Delivered	Milestone
Jun 24	IoT sensors and data capture infrastructure in place for the new Care Testbed environment to study dementia with longitudinal data.
Jul 24	Added five companies to <a href="#">increase commercial use</a> and nine projects for the Scottish Government to increase public sector use of EIDF.
Jul 24	<a href="#">Preparation of CR4</a> to host Exascale, placed on hold to allow UK Government's Artificial Intelligence (AI) Opportunities Action Plan to be developed.
Aug 24	Launch new version of the <a href="#">EIDF Application Portal</a> to make applications quicker, assessments of applications quicker and capture DDI sector information.

### Next milestones

EIDF will keep its focus on expanding data science services whilst preparing for a ten-fold increase in users. Its operating model is to engage with stakeholders on DDI projects using existing EIDF services and infrastructure, identify commonality and synergies between projects and from these develop new generic services.

This approach has proven successful to date. EIDF will continue its work with the other DDI Hubs to develop Data Strategies for each Hub. For the IoT Service, looking forward important new relationships with external organisations are being developed to that enable delivery of significantly improved coverage for our LoRaWAN-based SeNSES regional sensor network, and to build out our engagements to meet the needs of the utilities industries in the adoption of IoT. Activities are also aligning with the City Region Deal Regional Prosperity Framework, to support the development of its future projects.

Finally, work has been paused preparing the Advanced Computing Facility as the hosting location for the UK's first Exascale HPC system in the Edinburgh and South East Scotland City Region, as this is subject to the new UK Government's Artificial Intelligence (AI) Opportunities Action Plan. The University and its partners continue to forward the case for this form of research compute, that would further cementing the Region's Digital, AI, and data reputation.



## 4. The Deal – summary of progress

### Next milestones

Due Date	Milestone
Sep 24	<b>EIDF engagement plan</b> agreed to establish a wide userbase from different sectors across commercial and public organisations.
Oct 24	<b>EIDF pricing model agreed</b> for a sustainable infrastructure, which accounts for regional organisations, commercial and public sector organisations and amount of resource requested.
Nov 24	<b>Awaiting confirmation</b> of the decision by UK Government on the AI Research Resource Plus (AIRR+) Programme. If successful in being selected as a preferred site for the AIRR+ this will be an <b>increase in accelerated AI computing capability by 600%</b> , as part of the National AI Research Resource.
Nov 24	<b>Promote the work of the EIDF</b> , EPCC, DDI and University of Edinburgh at Supercomputing 2024 (SC'24) International Conference.
Dec 24	Launch <b>EIDF Harbor</b> service to facilitate containerisation of applications to make data science tasks repeatable, reproducible and transportable.
Feb 25	Introduce <b>public-facing customer satisfaction metrics</b> in an EIDF Dashboard, such as average waiting time to finish data science tasks, time from application to decision, helpdesk ratings.
Jun 25	<b>Expand</b> compute and storage capacity by adding more data storage and a variety of types of compute resources.
Jul 25	Continue to work with industry, with an aim of doubling the number of regional companies using the EIDF directly.
Ongoing	Continue working with UKRI and EPSRC on the delivery of <b>Exascale</b> , to be hosted in the Edinburgh and South East Scotland City Region, undertaking the <b>preparatory site works at the ACF</b> for the power and cooling, and supporting the progression of the UKRI-led <b>Procurement</b> of the system.



## 4. The Deal – summary of progress

### National Robotarium

**The National Robotarium** is the UK's centre for robotics and Artificial Intelligence. The state-of-the-art facility at Heriot-Watt University's Edinburgh campus is home to cutting-edge research and technology, which bridges the gap between science and industry, developing robotic solutions that address global challenges driven by sectoral and societal need.

With a core team of 35+ full-time staff, the centre is also home to world-renowned researchers working with partners across Scotland, the UK and beyond to advance knowledge and drive innovation to ensure the ethical and responsible adoption of robotics and AI technologies.

Since its official opening in September 2022, the National Robotarium has solidified its position as a leader in the UK robotics sector, testing and developing new robotic applications to address real-world challenges. The centre has achieved significant success in growing its profile, particularly with policymakers from the UK and Scottish governments, as well as raising awareness more generally of the positive benefits that robotics and AI bring to people's work, lives and health.

With a thriving portfolio of live projects, the National Robotarium advise industry – from SMEs to global conglomerates – how they can catalyse their business through the adoption of robotics, engineering and automation to solve current and future challenges, and improve safety, efficiency and productivity.



Ameca humanoid robot



CEO Stewart Miller at Westminster



Industry event at National Robotarium



## 4. The Deal – summary of progress

Through its dedicated engineering and project management teams, experts in the facility work with organisations to explore, develop, design, implement and test robotic and AI solutions for deployment. In addition, the Business Development team offer expert advice and guidance on robotics strategy development, workforce training, investment case development, funding sources and infrastructure needs for effective robotic applications.

The centre also has a thriving outreach and engagement programme, which is committed to raising awareness of the benefits that robots, AI and automated systems can have on our everyday lives, building robotics skills and capabilities in the workforce, and inspiring the next generation of roboticists.

The facility also provides business acceleration and incubation support for entrepreneurial technology and robotics companies and is currently at capacity with a dozen start-up and spinouts utilising the facility's labs, office spaces, equipment, and engineering expertise to develop their ideas, attract inward investment, and shape the future of robotics.

### Headline achievements in the past year

- 14 live industry projects;
- 10 new partnerships formed;
- 120+ people working in robotics and AI at the facility on a daily basis;
- 6148 young people (and 259 adults) engaged with the National Robotarium through school visits, competitions, outreach activities and science events / festivals, promoting the benefits of robotics, and AI, and encouraging greater participation and diversity in computer science, data, engineering and other STEM subjects across the UK;
- Pipeline of 180+ companies engaged in discussions to explore robotics solutions for their business;



Robot petting zoo for Edinburgh Science Festival



Robotic arms project

- 7 ongoing research collaborations;
- 24 research grant applications submitted, inc. 2 multimillion-pound Horizon Europe bids;
- The launch of **UKRAS-STEP**, a joint initiative to grow the UK's network of RAS (Robotics and Autonomous Systems) technicians and support their professional development;
- 13 companies, startups and entrepreneurs utilising business incubation support, with access to labs, equipment, engineering expertise and wider networks;
- **Robotics Revolution policy plan** launched at Westminster to an audience of 50+ leading figures from government, industry, science and funding bodies;



## 4. The Deal – summary of progress

- 708 PR and media hits across national and international TV, radio, online and print; and
- Sustained social media and digital engagement – 2666 new followers on LinkedIn (total 6716), 2308 followers on X, 2.5k new website visitors.

### Next milestones

Due Date	Milestone
Aug 2024	Launch of robotics and AI capability maturity model programme for business-readiness.
Dec 2024	Lead the UK-level discussions for the establishment of a network of Robotariums across the UK.
Jan 2025	Establish Robotics Scotland with the Scottish Government as a catalytic change programme for economic development and growth.
Mar 2025	Establish engagement partners for enhanced regional and national outreach.

### Strategic Added Value

As a Global Research Institute at Heriot-Watt, the National Robotarium leads world-class research that addresses global challenges and delivers benefits for industry, society and the environment. The centre delivers on its themed objectives, which are aligned to the overarching strategic aims of both Heriot-Watt University and the Data Driven Innovation initiative, led by The University of Edinburgh.

The National Robotarium actively identifies opportunities with our colleagues across the DDI programme. These examples include:

- with **Bayes Centre and Edinburgh Innovations**: joint activities in Robotics and Autonomous systems across University of Edinburgh and Heriot-Watt University, and both DDI hubs, including events, funding applications and cross-institutional support to start-up and spinouts from Heriot-Watt University and University of Edinburgh, most notably via the **Venture Builder Incubator** and **Deep Tech Launchpad**;

- with **Edinburgh Futures Institute**: joint activities and events around developing trustworthy robotic and AI systems for greater accessibility and adoption;
- with the **Usher Institute**: Exploring and developing opportunities for joint collaboration and enterprise opportunities; and
- with the **Edinburgh International Data Facility**: encouraging collaboration and facilitating access to advanced computational technologies for academic and industrial partners e.g. **EIDF GPU Service** for data processing and industrial AI.

Public engagement and outreach are integral parts of the National Robotarium’s activities, providing a leading and socially-conscious voice that encourages and inspires people of all ages to enhance their skills and knowledge to better understand the positive benefits robotics can bring to their lives and work.



Through the delivery of a sustained programme of engagement focused on robotics and artificial intelligence, the in-house engagement team puts audiences at the heart of its activities, increasing public understanding and critical appreciation of robotics and AI.

Through its own engagement strategy and its ongoing collaboration with the Heriot-Watt Engage team, the National Robotarium has been focused on the delivery of an ambitious Community Benefits plan, creating inclusive growth through youth and school engagement, work experience placements and job creation.

In the past 12 months, the centre has hosted and supported activities that are beneficial to the local community including robotics clubs, national robotics competitions for young people in school, Further and Higher Education, the **Children's Parliament**, occupational therapy and physiotherapy students from nearby Edinburgh Napier University and **The Ability Centre**, a community partner that supports adults aged 16-65 with physical disabilities. Feedback from The Ability Centre directly informed further adjustments to the building to improve accessibility and navigation for those with additional mobility requirements.

Other highlights from the last year include the successful delivery of a **proof-of-concept for the science and pharmaceutical sector**. A team of MSc Robotics with Industrial Applications students from Heriot-Watt undertook a paid internship and leveraged robotic and automated technologies to rapidly develop an innovative robotic solution that addressed an existing limitation within their production lines.

Engineers at the facility have also been at the forefront of developing new innovations in soft robotics, harnessing expertise from both Heriot-Watt and The University of Edinburgh, to develop soft tentacle-like manipulators to improve sensing capacity and inspection of offshore unit for a global energy company.

The National Robotarium also provides space for students in the **Edinburgh Centre for Robotics**, a collaboration between Heriot-Watt University and the University of Edinburgh, which delivers CDTs (Centres for Doctoral Training) for Robotics and Autonomous Systems (CDT-RAS) and Dependable and Deployable AI for Robotics (CDT-D2AIR).

The National Robotarium is fully engaged in informing policy on robotics and AI, advising government through a number of high-profile visits, the facility's success in driving Scotland and the UK's innovation and technology agenda, and developing a holistic policy plan that considers elements from ethics and regulation to economic growth and public perception.



## 4. The Deal – summary of progress

### Usher Institute

Through the application of data science, the **Usher Institute** is driving innovation in health and social care that improves lives. It will establish a world-leading innovation hub where public, private and third sectors can collaborate to enable data-driven advances in the delivery of health and social care.

The Usher Institute works with people, populations and their data to understand and advance the health of individuals and populations in the community and beyond. It supports the use of data and digital technologies to improve outcomes for patients and encourage the adoption of those with the greatest potential to transform health and social care.

The activity will deliver the infrastructure, resources, and expertise essential for the data-driven transformation of the health and social care sector in the City Region and beyond. This includes the creation of high-quality education and training in the application of data skills within health and care; a unique regional data service, **DataLoch**, as a foundation innovation asset; and a membership-based innovation community bringing together service, academic and industry interests to collaboratively develop solutions to our most pressing health and social care challenges.



The Usher Institute building

*Image: Craig Nicholl*



Usher Institute interior social area



## 4. The Deal – summary of progress

### Headline achievements in 23/24

Construction of the Usher Building within Edinburgh BioQuarter is now complete, offering a modern, welcoming space where public, private and third-sector minds can collaborate to enable data-driven advances in health and social care, delivering value across the City Region, nationally and internationally.

The last year saw significant further development of our high-quality education and training programme, focussed on the application of data skills to support the development of talent within health and care; a unique regional data service, **DataLoch**; and growth of an innovation community consisting of academic teams, health professionals, third-sector and industry partners seeking to collaboratively tackle some of our most pressing health and social care challenges.

- **MSc Leading Digital Transformation in Health and Care programme**: first cohort reaching the end of their first year of study, with 40 course participants from the health, social care and housing sectors.
- New short-courses have been officially launched within the Talent portfolio, upskilling the health and social care workforce in the region. These include Health Data Science courses with:
  - 771 Bitesize course participants (390 earning certificates)
  - 163 professional CPD course participants
  - 185 PPD course participants
- **DataLoch**: the service is actively developing heart disease and mental health registries to support these NHS service priorities.

### Strategic Priorities

Three strategic priorities for 2024/25 are:

1. To develop open-access data skills resources with health and social care professional societies;
2. To support data federation at scale as part of a Scottish and UK network; and
3. To co-design an implementation pathway for the deployment of data-enabled and digital technologies within the NHS.



## 4. The Deal – summary of progress

### Edinburgh Innovation Hub

The Edinburgh Innovation Hub is a £40m flagship development by Queen Margaret University (QMU) and East Lothian Council (ELC). Development of the Hub signals the project partners' ambition to create a nationally significant facility to capture, support and grow innovation-led enterprise in East Lothian and the City Region. Located next to Queen Margaret University on land owned by East Lothian Council the Hub will be a catalyst for the development of a wider Edinburgh Innovation Park.

The Hub will be a best-in-class innovation facility developed as the first phase of Edinburgh Innovation Park, a new and unique development for innovation-led enterprise adjacent to QMU and minutes by train from Edinburgh City Centre. The Hub will significantly enhance the already successful offering of the City Region for innovation and tech-based enterprise by providing serviced and fitted commercial laboratory and office space for high growth tech and innovation-based businesses.

The Hub will become a vibrant innovation cluster where high growth SMEs and innovation-led businesses co-locate with research and business networks under one roof to deliver a specialist service offering for commercial innovation. The Hub will provide a nucleus where people will congregate to network. It will provide high quality meeting space that can be configured for conferences, seminars, meetings, training and social events.



Edinburgh Innovation Hub Atrium



Edinburgh Innovation Park Masterplan



## 4. The Deal – summary of progress

The Hub will be a regional and national resource that will enable cross-sector collaborations and interactions at all levels. Businesses will benefit from a network of business support and people and businesses will be brought together to share knowledge and skills at the ‘crossing point’ between R&D and commercialisation.

Companies locating to the Hub will benefit from facilitated access to the University, its social and intellectual capital and to its business support services. Co-location will encourage mentoring and peer support. Close access to business development staff and business support intermediaries will

enhance the support on offer, facilitating connections with investors and enabling business collaboration. The close linkages and proximity to the University Departments, their students and expertise is an important aspect of this initiative.

Target markets for the Hub will be companies and enterprises that are innovation-led. In particular, the Hub will target companies in important growth sectors with specialist needs, including Life Sciences, Food & Drink, Technology, Startups, Spins outs and Enterprise initiatives.

### Headline achievements in the past year

Date	Milestone
Sep 23	Planning permission for the Hub granted.
Dec 23	Appointment of contractor.
Jan 24	Commencement of construction works.

### Next milestones

Due Date	Milestone
Jul 2025	Completion of the construction of the Hub.
Sep 2025	Hub Operational.



## Strategic Added Value

- The Hub forms a key part of an ecosystem of Innovation themed projects promoted by the Edinburgh Southeast Scotland City Region Deal.
- Collaboration across the Higher Education and Further Education network within the Edinburgh Southeast Scotland City Region Deal is ongoing. QMU is, for example, through its existing collaborative partnership with Edinburgh Napier University assessing the opportunity for Edinburgh Napier University to contribute to the Edinburgh Innovation Park development in terms of providing innovation support to SMEs additional to or supplementary to the QMU service offering.
- QMU continues to liaise with other Scottish City Region Deals that have Innovation focussed activity to ensure alignment and collaboration in the national context.
- The Hub will generate job opportunities in the sector for those highly skilled graduates both through the innovation led growth of the businesses located there, and through providing access to the space, facilities and services for graduate start-up companies.
- The wider project will contribute to job density improvement for the wider city region by making available infrastructure/ construction opportunities and employment opportunities within the Hub and the Edinburgh Innovation Park.
- The Joint Venture structure created by the Hub partners enabled them to reclaim VAT on the Hub Construction. These amounts were reinvested in the project budget to enable further positive impacts to the facility and the strategic business case.
- Linking in with the Capital City Partnership to capture through the procurement process a range of community



## 4. The Deal – summary of progress

The Fife Industrial Innovation Investment (i3) Programme is a £58 million, ten-year programme delivered by Fife Council.

The investment is delivering new business premises and immediately available serviced land. The new business accommodation is located within existing business clusters in mid and south Fife, adjacent to growth corridors (M90 and A92). It aims to facilitate more joint working between the region's universities and Fife businesses, to drive productivity and to deliver higher value, skilled, permanent jobs from data driven innovation.

The new industrial and commercial stock will ensure that Fife's industrial estates provide flexible space for innovative manufacturing industries with cutting-edge digital and energy capabilities. Five sites have been developed in Glenrothes, Kirkcaldy, Dalgety Bay, Lochgelly and Dunfermline during the first five years of the Programme. 6.09 Ha of employment land has been unlocked and site servicing took place at two sites to unlock 3.89 ha which is now immediately available for private sector investment, along with almost 3,250 m<sup>2</sup> of newly developed business space. The new units are more than 95% occupied.

### Headline achievements in the past year

- Tranche 2 of the Fife i3 Programme is underway.
- Business Case for Tranche 3 prepared and signed off by Joint Committee.
- Construction underway at Fife Interchange North and Levenmouth to create new business units.
- High interest from potential occupiers in both these Business Units.



Fife Industrial Investment Innovation



Easy Living Development Artist Impression, The Avenue, Lochgelly



Fife Interchange



Levenmouth Units



## 4. The Deal – summary of progress

### Next milestones

Due Date	Milestone
Sep 2024	Levenmouth Business Units Complete.
Q2 24/45	Planning determined for new development at John Smith Business Park, Kirkcaldy.
Q2 24/45	Construction Starts at Phase 3 Flemington Road, Glenrothes.
Q3 24/45	Construction Starts at John Smith Business Park, Kirkcaldy.
Q4 24/25	Fife Interchange North Units Complete.
Q2 25/26	Commence Site Servicing Project at Levenmouth.

### Strategic Added Value

The Fife i3 Programme works closely with the Scottish Borders Council to share Lessons Learned and is also engaged with the DDI Programme around Innovation opportunities. These linkages will widen with the next phase of the DDI Programme underway with the DDI hubs open in their physical locations.

Fife Council's inclusive growth priority is the Mid-Fife Area. However, all projects contribute to inclusive growth. The locations for investment were initially selected based on these criteria:

- Ability to support strategic business clusters;
- Location / connectivity to strategic growth corridors (M90, A92);
- Fit with existing predominant land use;
- Potential impact on sensitive or incompatible land uses; and
- Potential to deliver lower-cost business space.

The site selection process for Tranche 2 and 3 business cases was widened to include these sustainability criteria:

- Greenfield sites are generally not preferred unless they fulfil other sustainability criteria or make a significant contribution to other strategic objectives.
- Can the site accommodate a Passivhaus design, particularly in relation to the orientation of the building to maximise passive solar gain?
- Does the site have access to any renewable energy source (e.g. district heat network, air source or solar power)?
- Will the project remediate vacant and derelict land or property?

Work continues to develop and refine the Programme's approach to sustainable construction and social value on a project-by-project basis.



## 4. The Deal – summary of progress

### Borders Innovation Park

The Borders Innovation Park, situated next to the Borders Railway terminus at Tweedbank, will deliver much-needed high quality business space to the Scottish Borders.

Costing £29 million and being constructed in three phases, the programme is intended to stimulate growth for local businesses and inward investors together with associated job creation.

As with many other rural economies, the Scottish Borders must overcome the problem of market failure caused by a combination of remote locations and poor infrastructure, a lack of supply of modern business premises and the increasing obsolescence of existing stock.

The first building to be completed in Phase 1 of the Borders Innovation Park opened in July 2022 having been delayed owing to the COVID-19 pandemic. The IT firm, CGI, has leased one floor in the building while Inspire Learning, a digital learning programme, occupies part of the other floor. The rest of the building has now been let to an innovation active business.

The Pandemic also impacted the programme in that the aspirations to build out speculative office space in Phases 2 and 3 were exposed by changes in market conditions for this type of accommodation. This led to a review of the planned mix of developments in these phases. Work has now begun on developing an office building within the site of the original Phase 2 and there has also been progress on developing road and service infrastructure to unlock the land for Phase 3 development.

In summary, the Borders Innovation Park will greatly enhance the inward investment offer in the Scottish Borders, particularly to high value sectors, as well as assisting existing businesses to improve their competitiveness. It will also help to address inequalities in the area through providing access to better quality, higher paid jobs.





## 4. The Deal – summary of progress

### Headline achievements in the past year

Date	Milestone
Nov 23	Start of development of Phase 3 road and service infrastructure.
Jan 24	SOSE grant award of £3m towards project costs.
Apr 24	Agreement to let remaining space in Phase 1 building to tenant.
May 24	Start of design and procurement stage for Phase 2 office building.
Jul 24	Start of design team tender exercise for Phase 3 development.

### Next milestones

Due Date	Milestone
Oct 2024	Completion of design team tender exercise for Phase 3 development.
Nov 2024	Scottish Borders Council meeting regarding project next steps.
Dec 2024	Joint Committee meeting regarding project next steps.
Jul 2025	Start of construction of Phase 2 office building.

### Strategic Added Value

Scottish Borders Council is working with strategic partners, particularly Fife Council, the University of Edinburgh and Heriot-Watt University, to maximise the benefits of data-driven innovation and its potential to increase the number of innovation-active businesses, both regionally and locally. This work is taking place within the context of both the Borders Innovation Park programme and also the relevant strands of the Regional Prosperity Framework.

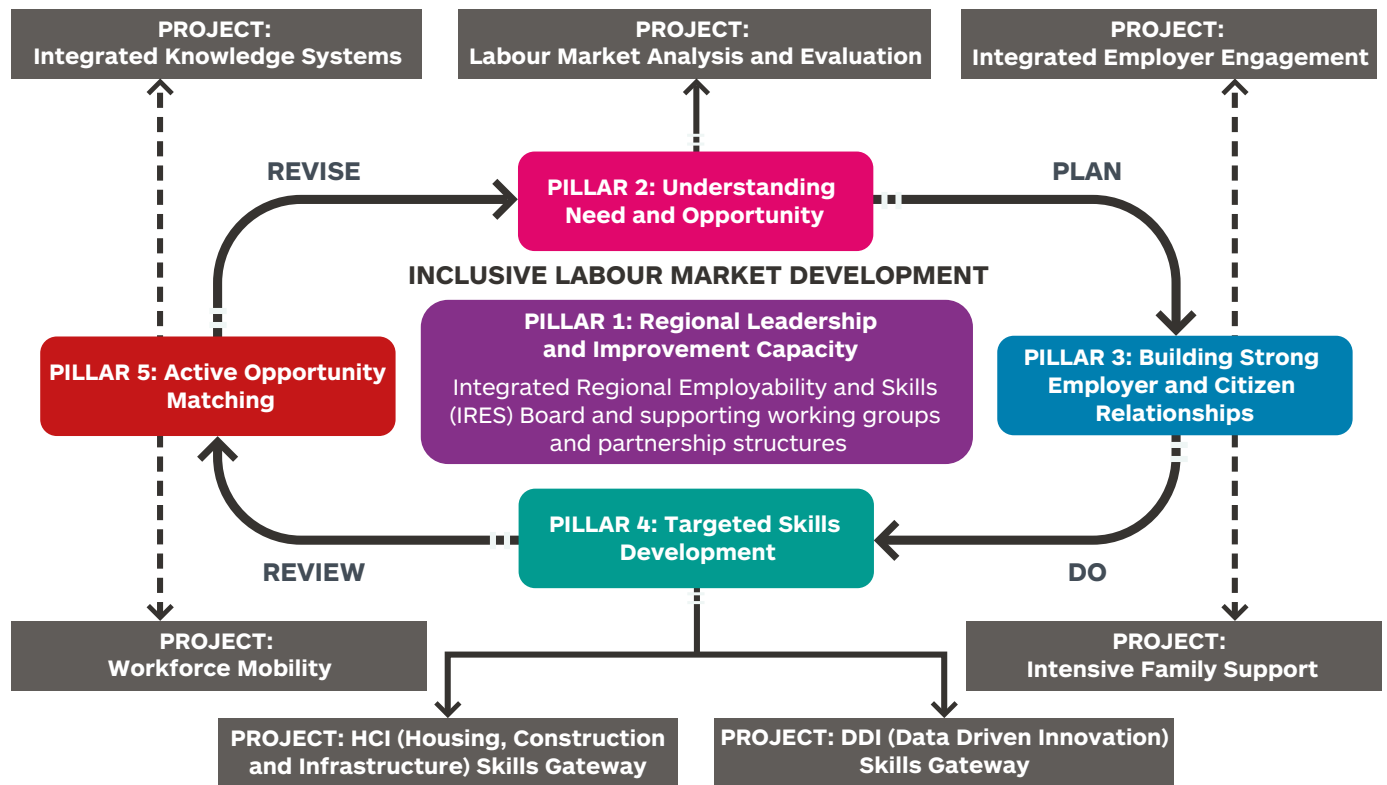
Scottish Borders Council is also working with South of Scotland Enterprise to maximise the business support and advice available to businesses as well as other aspects of the Borders Innovation Park programme. As a participant in the City Region Deal Housing, Construction and Infrastructure (HCI) Skills Gateway, the Council will look to develop new talent through utilising the construction opportunities during the build phases of the innovation park.



## 4. The Deal – summary of progress

### Integrated Regional Employability and Skills

The Integrated Regional Employability and Skills (IRES) Programme and its cross-sector partnership seeks to evolve regional labour market policy and practice to help drive inclusive growth. The programme continues to focus on five improvement pillars targeting known areas of weakness or opportunity.



The IRES partnership is funded by £25 million investment (over eight years) and has a target of delivering an additional 14,700 skill improvements; 5,300 people into employment; and a further 500 career enhancements through its 7 themes:

1. Integrated knowledge management systems
2. Labour market analysis and evaluation
3. Integrated employer engagement
4. Intensive family support service
5. Housing construction and infrastructure (HCI) targeted skills gateway
6. Data-driven innovation (DDI) targeted skills gateway
7. Workforce mobility

**The IRES programme has already delivered 336k skills improvements engagements, achieved 7,869 job outcomes, supported 463 people to progress in their career and secured an additional £7.15m funding to enhance IRES activity.** The IRES programme continues to evolve, streamline, and integrate the region’s employability and skills system to enhance our capacity and capability to drive inclusive growth and create added value for stakeholders.



## 4. The Deal – summary of progress

### Headline achievements in the past year

#### 1 Integrated Knowledge Systems (IKS)

- **Helix** (the new MIS/CRM developed through IKS) has expanded to cover 60,000 clients and 800 users with increased use across all functionalities including events, training, enterprise records and vacancy management.
- UK Shared Prosperity funded projects from five Local Authorities (City of Edinburgh, East Lothian, Midlothian, Scottish Borders, and West Lothian) are all being managed through Helix.
- First stages of data analysis projects from Helix have been completed.
- Migrate Midlothian Council data into Helix using new CLD functionality.



#### 2 Labour Market Analysis & Evaluation (LMAE)

- Delivery of regional research into digital skills needs of the health and social care sector.
- Development and agreement of a regional skills collaboration plan.
- Commissioned research into economic inactivity in the region and the role of the skills system in tackling.



#### 3 Integrated Employer Engagement (IEE)

- In 2023 IEE Employer Fund supported 51 businesses with their 'start up' phase across the region. Through engagement with Business Gateway, the eligibility criteria has been widened to businesses who have been trading for under 24 months from 18. The follow-up engagement has reported the creation of 27 jobs as a result of the small grants programme.
- Since the launch of the IEE fund programme in 2020, IEE have awarded 231 businesses small grants totalling £223,000 across the region. This contributed to the development of 70 jobs and the retention of 145 jobs.
- McLaughlin Harvey, the lead contractor for The Usher Institute building worked with the IEE team and identified local organisations to support through a community grants programme as part of their community benefit obligations. Over the duration of the build, this programme was delivered across two phases and consisted of 33 donations totalling £10,320.





## 4. The Deal – summary of progress

### Headline achievements in the past year

- The **‘Green Economy Jobs’ Sectoral Awareness Campaign** launched in summer 2023. This campaign developed a suite of promotional products for use across our employability networks within the region (and beyond) to demystify the terms green jobs, green skills and green economy jobs. The reach of the campaign widened throughout the year with IEE sponsoring **The Scotsman Green Skills Conference** where the short film was promoted. The full campaign audience reached over 736,000 citizens and is continuing to be used throughout the region.
- IEE commissioned the development of a NOCN accredited **Level 2 award in Understanding Domestic Retrofit**. Working with a local training provider and curriculum development team, 96 funded places were created to support the regional colleges, local authorities and businesses across our region with upskilling in this priority area.

### 4 Intensive Family Support Service (IFSS)

#### About IFSS

- An audit of IFSS projects was completed which focussed on ensuring efficient and robust systems were embedded across all practice. The audit identified good practice examples and areas for improvement and projects are being supported to enhance and refine systems to ensure consistent approaches are being used across providers.
- IFSS facilitated an anti-Stigma Charter workshop with families across the region. The Charter aims to reduce negative attitudes and discrimination against people living in poverty. The Charter promotes positive social change by encouraging understanding, compassion, and respect for those engaging in services.
- A joint research proposal with Strathclyde University focusing on the Intensive Family Support Service has successfully secured funding. PhD Researcher Rose Watson will conduct a three-year study on the service to understand the programme’s scope.





## 4. The Deal – summary of progress

### Headline achievements in the past year

#### 5 Housing, Construction, and Infrastructure (HCI) Skills Gateway HCI Skills Gateway – YouTube



- UK Government endorsement of HCI Skills Gateway-funded **Timber Skills Action Plan**, in partnership with Timber Development UK and NMITE, in DEFRA's **Timber in Construction Roadmap** – highlighted as an innovative and relevant training approach to increase the use of timber in construction with an appropriately skilled and competent workforce.
- Extending the range of learners engaged in sustainable and inclusive construction learning, from supporting the award-winning **West Lothian Woodworking Initiative** – now reaching over 60 early primary and nursery locations with hands-on carpentry and joinery activities – to funding 45 women and minority-gender people to take part in **ConStructEd 2024** in partnership with Equate Scotland, a three-day experiential learning experience to enhance construction employability.
- Over 2,000 school pupils across the region have now obtained SCQF Level 4 qualifications in STEM Leadership thanks to HCI working with Prosper (formerly the Scottish Council for Development and Industry) to deliver **Climate Smarter**. Of these 2,005 pupils, 1,432 come from **SIMD 20** and 40 areas.

#### 6 Data-Driven Innovation (DDI) Skills Gateway What is the DDI Skills Gateway? – YouTube



- **Data Education in Schools** won **Education Initiative of the year** at this year's British Data Awards.
- **Data Skills for Work** funded over 1,000 learners through the Data Skills Credit initiative.
- A total of around 5,900 people have now participated in SQA-certified courses at SCQF levels 3 to 8, and around 285 individuals have had the opportunity to progress to university from SCQF levels 7 and 8 as part of the Data Education in Colleges programme.



## 4. The Deal – summary of progress

### Headline achievements in the past year

#### 7 Workforce Mobility (WFM)

- Delivered a new data analysis tool for Local Authorities across Scotland that enables them to fully analyse their bus services data quickly and in a way that provides more detailed information to allow quick and informed decision making. The data dashboards utilise graphs and charts as an effective communication tool for senior officers, Elected Members and the public.
- Worked with **SEStran** & Scottish Futures Trust to gain approval across nine Local Authorities to investigate regional collaboration for EV charging expansion delivery and the creation of a common set of contract and procurement documents.
- Following the successful Ministerial Launch of Bus Driver Careers campaign on 2nd May 2024, the **Bus Driver Career's website** went live on Helix.scot Helix.scot and has received positive feedback from bus operators. A series of recruitment events took place across the region in collaboration with bus operators.
- Delivered the East Lothian Council Journey Hub and Active Travel Plan, which is based on various data sets provided by WFM Project and a comprehensive community consultation.





## 4. The Deal – summary of progress

### Next milestones

Due Date	Milestone
Ongoing	<p><b>IRES programme strategic development</b></p> <ul style="list-style-type: none"> <li>Work is progressing to co-create a proposition for a regional skills programme post March 2027 when the current IRES programme is scheduled to finish.</li> </ul>
Dec 2024	<p><b>Integrated Knowledge Systems (IKS)</b></p> <ul style="list-style-type: none"> <li>Migrate West Lothian Council data into Helix with site and data language mapping.</li> </ul>
Ongoing	<ul style="list-style-type: none"> <li>Develop and roll out new functionality across Helix including Community Benefits tracking, grant applications and management.</li> </ul>
Nov 2024	<p><b>Labour Market Analysis &amp; Evaluation (LMAE)</b></p> <ul style="list-style-type: none"> <li>Delivery of report and recommendations around economic inactivity research.</li> </ul>
Sep 2024	<p><b>Integrated Employer Engagement (IEE)</b></p> <ul style="list-style-type: none"> <li>Open the first dedicated Telecoms Training Academy in Scotland providing 6 funded places for local people to embark on a career in this industry. The programme will be accredited and guaranteed support and interviews offered upon successful completion.</li> </ul>
Ongoing	<ul style="list-style-type: none"> <li>A regional community benefits plan has been co-signed by IEE and Heron Bros who are the awarded contractor for the Edinburgh Innovation Hub at Queen Margaret University. The plan is now being embedded across activity.</li> </ul>
Dec 2024	<p><b>Intensive Family Support Service (IFSS)</b></p> <ul style="list-style-type: none"> <li>Following further development of The Anti-Stigma Charter, a launch event involving families, delivery partners and stakeholders, who have taken part in the co-design of the Charter and its resources, will be organised to launch the Charter across Scotland.</li> </ul>
Mar 2025	<ul style="list-style-type: none"> <li>Phase two of the IFSS research programme will commence focussing on refining the research questions. These will guide the methodology, data collection, analysis to understand the service impact.</li> </ul>
Aug 2025	<ul style="list-style-type: none"> <li>Second audit of IFSS projects to be completed.</li> </ul>
Aug 2025	<p><b>Housing, Construction, and Infrastructure (HCI) Skills Gateway</b></p> <ul style="list-style-type: none"> <li>To conclude all current HCI-funded skills programmes except for FE Colleges courses, which are on track to significantly exceed original HCI targets. This includes an increase of children from SIMD areas engaging in construction (with at least a SCQF Level 4 qualification). People being supported into employment and securing more senior roles and additional training and skills improvements for underrepresented groups.</li> <li>To deliver two in-depth feasibility studies on domestic retrofit requirements, in partnership with the Innovate UK-funded Net Zero Innovation and Delivery Officer based at Fife Council and working across the ESES region.</li> <li>To develop a future construction skills strategy for housing aligned to the ESES Strategic Sites Programme and Investment Prospectus, to inform future funding requirements.</li> </ul>
Jun 2025	<p><b>Data-Driven Innovation (DDI) Skills Gateway</b></p> <ul style="list-style-type: none"> <li>Data Education in Colleges aims to reach 10,000 student participants in the programme and 1,000 college staff members through the Data Education in Colleges-funded Professional Learning.</li> <li>At least 200 schools across the region will have the IOT infrastructure in place to enable them to engage fully in the Data Education in Schools programme.</li> <li>Embed a data component into the teacher training programme at QMU as part of the Data Education in Universities programme.</li> </ul>



## 4. The Deal – summary of progress

### Next milestones

Due Date	Milestone
Dec 2024	<b>Workforce Mobility (WFM)</b> <ul style="list-style-type: none"><li>Continue the roll-out and development of PowerBi Templates to Local Authorities to better analyse the bus services data that they receive from Bus Operators to aid proactive identification of issues and opportunities.</li></ul>
Mar 2025	<ul style="list-style-type: none"><li>the Regional Transport Strategy Delivery Plan in partnership with SEStran, which is programmed to have the first phase of regional project prioritisation complete by December 2024. A funding plan will be developed in 2024 to enable consultancy support to be commissioned to develop the priority projects through the appropriate project development frameworks in 2025.</li></ul>
Aug 2025	<ul style="list-style-type: none"><li>Commence the procurement of the main recommended bus services in the Scottish Borders Council Bus Network Review.</li></ul>

### Strategic Added Value

Inclusive growth remains at the centre of the IRES Programme with the aim of supporting long term sustainable destinations for those who live and work within the ESES region. By supporting local and regional ambition the IRES project has contributed to national policy to help shape future investment for the region. As the partnership supporting IRES develops, further opportunities for wider alignment have developed, including:

- Delivery of clear, integrated and inclusive pathways into industry.
- Driving cross cutting themes within regional networks such as Community Wealth Building.
- Ongoing research to tackle climate emergency, green skills, and skills gaps.
- Engagement with stakeholders to support regional agendas including the development of the Regional Prosperity Framework.
- Informing future policy through ongoing engagement with stakeholders.



## 4. The Deal – summary of progress

### A720 (Sheriffhall Roundabout)

The Sheriffhall Roundabout is currently the only junction on the A720 Edinburgh City Bypass that is not grade separated, which means the City Bypass is at the same level as the A7 and A6106 local approach roads. This at-grade, six-way junction, often experiences significant queuing, especially during peak hours. The Scottish Government's commitment through the Edinburgh and South East Scotland City Region Deal includes £120 million to support improvements to the A720 Edinburgh City Bypass for the grade separation of Sheriffhall Roundabout. The project is being delivered by Transport Scotland and is subject to Transport Scotland's normal governance procedures.

The new flyover arrangement at Sheriffhall will separate local traffic, including public transport, from strategic traffic on the bypass and will improve traffic flow on the bypass at this location, improving road safety and journey times for all users. In addition, the proposed new active travel facilities, consisting of nearly two miles of segregated shared surface and five dedicated grade separated subways under the new roundabout and A720 linking the A6106 and the A7 either side of the junction, will provide cyclists and pedestrians with their own safer dedicated alternative routes, removing the existing barrier and transforming the way they cross the A720 City Bypass.



Visualisation of the proposed Scheme looking from the South-West



Visualisation of the non-motorised user facilities included in the proposed Scheme



Visualisation of the non-motorised user facilities included in the proposed Scheme



## 4. The Deal – summary of progress

### Headline achievements in the past year

- Continued engagement with the City Region Deal partners on progress and scheme development.
- Submission in October 2023 of the independently appointed Reporter’s report following the Public Local Inquiry conducted for the project to consider objections raised and maintained in response to publication of the draft Orders for the proposed Scheme.
- The report, which sets out the Reporter’s conclusions and recommendations, is currently under active consideration prior to advice being provided to and a decision being made by Scottish Ministers on the Scheme.

### Next milestones

Due Date	Milestone
TBC	Scottish Ministers decision to be made on the scheme. Delivery of the proposed scheme can only commence if it is approved under the relevant statutory procedures and thereafter a timetable for progress can be set.

### Strategic Added Value

The project will:

- Address the bottleneck on the strategic road network by improving operating conditions and connectivity at Sheriffhall and help to reduce the traffic impact of proposed developments on the area.
- Provide high quality active travel facilities to deliver a step change in accessibility for walking and cycling.
- Support future development in the region, including the South East Wedge development, inclusive growth and the removal of physical barriers to growth through delivery of programme of construction across the region.
- Contribute towards the requirement to provide Community Benefits in line with the requirements of the Procurement Reform (Scotland) Act 2014.
- Support wider skills development in the construction sector.



## 4. The Deal – summary of progress

### West Edinburgh Transport Improvement Programme (WETIP)

West Edinburgh is recognised as a key national economic asset and perhaps the most important gateway to Scotland. West Edinburgh will offer significant economic investment opportunities with potential to be internationally competitive. The vision for West Edinburgh and the unlocking of the proposed business and residential development cannot be delivered without significant investment in an integrated package of transport intervention measures. These include a core package of sustainable transport improvement measures along the A8/A89 corridor that provide long term resilience and support strong connectivity between neighbouring authorities and communities. The transport intervention measures are centred around sustainable transport enhancements between Broxburn and Maybury and are necessary to mitigate the impacts of new developments and meet current agreed modal share/shift targets. This proposal is in line with the City Region Deal vision and is supportive of local plans and policies which look to accelerate the rate of investment and economic performance by capitalising on our existing world class assets through inclusive and sustainable growth model.



### Headline achievements in the past year

- Conclusion of Outline Business Case (OBC) as approved by Joint Committee in June, which included the following activities:
  - Public and Stakeholder engagement events to secure feedback of concept designs proposals;
  - Finalisation of Concept Design plans;
  - Scheme Prioritisation Exercise concluded; and
  - Publication of Socio Economic Case including a Benefit Cost Ratio of 1.7 for delivery of initial measures.
- Commencement of Final Business Case Stage including:
  - Approval of the OBC by the City Deal Joint Committee including approval to progress to Final Business Case Stage; and
  - Appointment of technical consultancy team to progress preliminary/detailed technical drawings.



## 4. The Deal – summary of progress

### Next milestones

Due Date	Milestone
Summer 2024	Commencement of RIBA Stage 3 (developed design) including major site investigation works.
Early 2025	City of Edinburgh Council/West Lothian Council Committee approvals to publish statutory road orders.
Summer 2025	Conclusion of RIBA Stage 3 including publication of Statutory Road orders.
Summer 2025	Commencement of RIBA Stage 4 – Technical Design.
Autumn 2025	Principal Contractor Procurement Strategy concluded.

### Strategic Added Value

The purpose of the West Edinburgh Transport Improvement Programme is to progress the delivery of the public transport and active travel measures identified in the 2016 WETA Refresh study. Interventions will support a wide range of objectives including, but not limited to, the promotion of sustainable travel to a range of destinations; improving regional connectivity and accessibility for all to jobs, education, healthcare and leisure; and delivering an improved active travel and public transport mode share within West Edinburgh to support net zero carbon emission targets. The Programme has adopted a collaborative approach and brings together a range of key stakeholders and partners

contributing to successful delivery. Key stakeholders and partners include the City of Edinburgh Council, West Lothian Council, Bus Operators, Transport Scotland, Active Travel Groups, Bus User Forums, SEStran, Sustrans, Network Rail, Edinburgh Airport, Major Developers and statutory consultees. In due course, this project will be procured as a construction project, and links with the Housing and Construction Infrastructure Skills Gateway will be established. The improvement of public transport provision in this area has the potential to unlock housing development opportunities and ease congestion in the corridor between West Lothian and Edinburgh.



## 4. The Deal – summary of progress

### Dunard Centre

The Dunard Centre, supported by Royal Bank of Scotland, will be Edinburgh's first purpose-built concert hall for more than a century. Designed by David Chipperfield Architects and Nagata Acoustics, this all-purpose performance venue will have at its heart a world-class auditorium that champions the very best in live performance across all genres and ensures everyone can be part of it. It will be an open and welcoming space for life-enhancing and life-changing experiences, crossing generations and communities.

Designed to slot into a bustling city centre site fringed by heritage buildings, its 1,000-seat auditorium, bars, workshop rooms and recording facilities will host a diverse programme encompassing classical music to spoken word, hip-hop and pop to folk, jazz and rock. Its innovative and wide-reaching community engagement programme will foster connections between artists, audiences and communities in year-round opportunities for lifelong learning.

Nestled in the heart of Edinburgh's New Town, visitors will be able to stream into the venue on foot and bicycle, by bus, tram and train. Though the plot is little bigger than a football pitch, the ingenious design of the hall will transform the previously screened-off site into a dynamic new public precinct, opening up music-making for all.

This landmark building will serve as a home for the Scottish Chamber Orchestra and a principal new venue for the Edinburgh International Festival, with the core purpose of bringing more music to more people, more often. It will hum with life all day every day, matching the vibrancy and diversity of the city's August festival period in a year-round offer.



Dunard Centre



Dunard Centre auditorium

*Image: David Chipperfield Architects and Hayes Davidson*



Dunard Centre hall stage

*Image: David Chipperfield Architects and Hayes Davidson*



## 4. The Deal – summary of progress

The Dunard Centre benefits from the generous support of the Dunard Fund – a long-term funder of the arts and music in Scotland – and is the cultural centrepiece of the Edinburgh and South-East Scotland City Region Deal, a transformative partnership between the UK and Scottish Governments and Edinburgh City Council. Through the support of Royal Bank of Scotland, the Dunard Centre will be built in the heart of Edinburgh, tucked behind and directly connected to the Bank’s historic registered office at 36 St Andrew Square.

The city centre site has spent the last year undergoing a range of enabling works, including the careful demolition of a five-storey office block, which are nearing completion. IMPACT Scotland, the charity responsible for building and running the venue, is now preparing for the next phase: Dunard Centre’s four-year main construction period.

### Next milestones

Due Date	Milestone
Aug 2024	Recruitment underway seeking new Trustees and Committee Members.
Oct 2024	Main construction PCSA agreement with Balfour Beatty complete.
Nov 2024	IMPACT Scotland Stage 2 tender acceptance.
Early 2025	Main construction begins.

### Strategic Added Value

The Dunard Centre will be a 21<sup>st</sup> century space dedicated to musical excellence and artistic experimentation, a place that offers audiences and artists incredible sound and a great experience; and a venue that encourages and enables as many people as possible to access the extraordinary benefits of live music. Our inclusive ambition of operating as a ‘hall for all’ saw the start of the first phase of work to build a detailed understanding of prospective audiences. Gathering insights into how citizens currently engage with music in all formats means we can reflect this lived experience in our own community engagement and communications campaigns.

The ambitious quantitative and qualitative study into consumer attitudes and behaviour – completed in May this year - will be used to inform future messaging, artistic development and audience mobilisation

efforts. We also anticipate using the data to help shape ongoing and standalone campaigns across our Community Benefits commitments once the main construction phase begins. Working with expert, Edinburgh-based JRS Consortium, the research began with Edinburgh and South East Scotland citizens, before widening out the sample to Scotland as a whole. It has provided our team with rich baseline findings to build upon at a local and national level.

As a data-driven organisation we will continue to share research with City Region Deal stakeholders and sector partners, actively exploring opportunities to involve the wider network in our sampling and reporting efforts. Insight-driven programme development and marketing is our focus; just one example of IMPACT Scotland’s wider pursuit of building excellence: both on site and within our own organisational development.



## 4. The Deal – summary of progress

There are significant challenges associated with accommodating the region's population and economic growth for ESES Local Authorities, with four Local Authorities (The City of Edinburgh Council, Fife Council, Scottish Borders Council and West Lothian Council), having declared local housing emergencies due to the unprecedented and unsustainable pressure on housing and homelessness service.

In response, the Region has five housing priorities:

- Affordable Housing Delivery;
- Retrofit;
- Strategic Sites;
- Regional Delivery Alliance; and
- Future Town Centres and New Delivery Models.

Regional partners also collaborate, share best practices and lessons learned on homelessness, infrastructure, innovation, and delivering net-zero carbon housing. A overview of key progress is provided below.

### Affordable Housing Delivery

In recent years, the region has delivered a significant proportion of Scotland's new affordable homes. In 2023/24 the region collectively delivered over 1,500 affordable home approvals, over 1,700 site starts and nearly 2,300 completions, with a spend of £186m of which nearly £48m was made up of charitable bonds. This exceeded targets for spend, approvals and completions.

At the beginning of the year, the Scottish Government announced a budget cut of around £200m from the national affordable housing programme budget and limited availability of charitable bonds. The region's Local Authorities have experienced around a 24% cut to affordable housing programme budgets/Resource Planning Assumptions (RPAs).



Blindwells



Granton

When compared with what could be delivered without the funding cut, the region estimates that this year's affordable housing approvals will be down by just over 640 homes and site starts will be down by nearly 420 homes and completions similarly.

This will have serious implications for future completions across affordable housing and housing of all tenures. This will also have significant consequences for those in need of a housing, homelessness services and the economy. Affordable housing is often the catalyst for establishing new communities and infrastructure paving the way for private investment and development. This will also affect future jobs, supply chains, SMEs and the industry's ability to accelerate housing development.



## 4. The Deal – summary of progress

### Strategic Sites

Work continues to deliver over 41,000 homes across the seven strategic sites at Blindwells, Calderwood, Dunfermline, Edinburgh’s Waterfront, Shawfair, Tweedbank and Winchburgh. Vacant and derelict land is being transformed to delivery: net zero carbon homes; green energy solutions; regeneration; and a just transition to a zero-carbon future. Progress on business case development with Blindwells, Granton Waterfront and Tweedbank is outlined in the table below:

Strategic Site	Business Case/Status
Granton Waterfront	• Full Business Case – Phase 1 and Heat Network – Spring 2025
Tweedbank	• Final Business Case – Summer 2025
Blindwells	• Strategic Outline Business Case – Autumn/Winter 2024 • Outline Business Case – Summer 2025

Across the seven strategic sites (Blindwells, Calderwood, Dunfermline, Edinburgh’s Waterfront, Shawfair, Tweedbank and Winchburgh) a total of 386 social and 220 mid-market rent and 558 market homes have been started over the last year, and a total of 217 social and 33 mid-market rent and 1,035 market homes have been completed. The number of market homes completed this year is nearly 50% higher than last year. A breakdown is provided in the tables below:

Table 1 – Strategic Site Delivery – Site Starts

Delivery (starts) 23/24	Tenure Mix		
	Social Rent	MMR	Market
Blindwells	23	0	52
Calderwood	0	0	196
Dunfermline	0	0	0
Granton Waterfront	243	220	0
Shawfair	120	0	120
Tweedbank	0	0	0
Winchburgh	0	0	190
<b>Total</b>	<b>386</b>	<b>220</b>	<b>558</b>

Table 2 – Strategic Site Delivery – Completions

Delivery (starts) 23/24	Tenure Mix		
	Social Rent	MMR	Market
Blindwells	60	0	174
Calderwood	76	33	176
Dunfermline	0	0	258
Granton Waterfront	0	0	0
Shawfair	60	0	240
Tweedbank	0	0	0
Winchburgh	21	0	187
<b>Total</b>	<b>217</b>	<b>33</b>	<b>1,035</b>



## 4. The Deal – summary of progress

### Strategic Site Investment Prospectus

Building on constructive engagement with the Minister for Housing in October 2023, Regional Housing Partners and Strategic Site Lead Officers agreed to develop a Strategic Site Investment Prospectus. This includes demonstrating the infrastructure challenges associated with unlocking the sites; capital and revenue requirements; potential delivery mechanisms; and the transformational opportunities, benefits and outcomes associated with delivering over 41,000 homes across these sites.

The University of Edinburgh and the City Region Deal PMO have worked closely with Strategic Site Lead Officers on an economic impact model which demonstrates the economic and societal benefits of delivering the sites. Scottish Government economists have been consulted on the assumptions and methodology being used for this model.

Engagement is ongoing with Scottish Government and Scottish Futures Trust to develop this work and conclude before the end of 2024.

### Regional Delivery Alliance

This project builds on the **Edinburgh Home Demonstrator Project** which aimed to deliver a new model for delivering affordable Net Zero homes. The model is centred around collaborative procurement, whole life costing, development pipeline, and increased standardisation of housing types.

The Regional Housing partners have committed to fund the Regional Delivery Alliance to March 2026.

A Project Manager was successfully recruited in July 2024 to deliver Regional Delivery Alliance objectives.

A regional knowledge hub to support the initiative, deploy the Regional Delivery Alliance resources and share skills and learning is being developed and will be launched in winter 2024.

### Town Centres and New Delivery Models

Regional partners recognise there are opportunities to re-purpose surplus office accommodation, empty retail units, and spaces above shops into affordable homes to help to arrest the decline in town centres, deliver high quality placemaking principles and increase town centre living

Throughout 2023, **Edinburgh Living** continued to purchase homes for mid-market rent from the City of Edinburgh Council's housebuilding programme with a total of 72 homes added to the portfolio. In September, approval in principle was provided to purchase a further 220 homes from the City of Edinburgh Councils House Building programme.

There is a need for innovation and new delivery models to find new ways to deliver homes across all tenures.



## 4. The Deal – summary of progress

### Headline achievements in the past year

- **Granton** – Gas holder frame refurbishment nearing completion, commencement of public realm works due summer 2024
- **Granton** – Contract award for 143 Net Zero Homes for rent at Silverlea – June 2024
- **Granton** – Phase 1 planning approval submitted - June 2024
- **Dunfermline** – Next strategic transport intervention being installed to allow current strategic site to keep building beyond trigger in S75.
- **Dunfermline** – Subsequent transport intervention being advanced and delivered in conjunction with major Council project to avoid longer term disruption to local communities.
- **Dunfermline** – Second tranche of HIF Grant funding drawn down and discussions commenced on second grant award process for the next parliamentary period.
- **Shawfair** – 20km of pipework and energy centre for Shawfair District Heat Network now in place and agreement now in place to connect additional 620 homes at CALA development at Newton and Wellington Farm.
- **Shawfair** – Community Centre built and handed over to Council at Millerhill
- **Shawfair** – 1,300 homes either constructed, under construction, consented or being progressed for planning shortly with a number of new developers due to go on site shortly, such as Robertson Group on site in July 2024
- **Shawfair** – Inner ring road now complete/open
- **Shawfair** – Next infrastructure works will comprise education remediation work
- **Shawfair** – Midlothian Council have acquired key town centre site in Shawfair to deliver school provision as part of town centre development.
- **Edinburgh Living** – acquired 574 homes by the end of December 2023



## 4. The Deal – summary of progress

### Next milestones

Due Date	Milestone
Sep 2024	<b>Granton Early Action</b> – Western Villages, 444 net zero Homes for sale and rent – residents moving into first block completions.
Sep 2024	<b>Granton Early Action</b> – Homes Demonstrator Plot D1 – 75 net zero homes and 3 commercial units, residents moving into completed development.
Sep 2024	<b>Granton Early Action</b> – Silverlea site start.
Autumn 2024	<b>Shawfair</b> – Heat on for heat network with first connections due.
Early 2025	<b>Granton Early Action</b> – Gasholder park opens to the public.
Nov 2024	<b>Granton Phase 1</b> – Detailed Planning consent.
May 2025	<b>Granton Phase 1</b> – Full Business Case Phase 1 (Homes and District Heat Network).
Jun/Jul 2025	<b>Granton Phase 1</b> – Development agreement and concession agreement award.
Jul 2025	<b>Granton Early Action</b> – Completion Western Villages.
Aug 2025	<b>Granton Phase 1</b> – Site start for Enabling and Infrastructure – Aug 2025.
Summer 2025	<b>Tweedbank</b> – Settlement Expansion Full Business Case approval.
2024/25	<p><b>Dunfermline</b></p> <ul style="list-style-type: none"> <li>• Planning application to be submitted for a major bridge which is the first jigsaw piece for a significant strategic transport corridor and will provide a secondary access to a strategic site, creating the opportunity to build out a strategic site from two areas simultaneously.</li> <li>• Completion of our second strategic transport mitigation measure and the third to be in under construction, if not completed.</li> <li>• Applications expected for the first phases for three other strategic sites that already benefit from planning permission in principle.</li> </ul>
2024/25	<p><b>Shawfair</b></p> <ul style="list-style-type: none"> <li>• Remediation of school site underway by SLLP.</li> <li>• New town centre strategy for Shawfair to be agreed.</li> </ul>
2024/25	<p><b>Regional Delivery Alliance</b></p> <ul style="list-style-type: none"> <li>• Regional planning engagement around house types.</li> <li>• RDA website and knowledge hub launch.</li> <li>• Establish procurement route for collaborative procurement.</li> <li>• Engagement on further site bundles.</li> <li>• Review and maintain regional design and performance standard.</li> <li>• Review and maintain regional house and flat types.</li> <li>• Annual Pipeline review.</li> </ul>
2024/25	Edinburgh Living is expected to purchase 250 homes.



## 4. The Deal – summary of progress

### Strategic Added Value

- The seven strategic sites can collectively deliver transformational economic and social change both in terms of housing supply, circa. 40,000 homes, and for the local, regional and national economy, through maximising the economic benefits from the construction of new homes and ensure that jobs, training and apprenticeships are targeted towards disadvantaged areas across the region.
- Our Strategic Site Investment Prospectus demonstrates the collective impact of the seven Strategic Sites. They can deliver over 41,000 homes, over £30bn Gross Value Added, and support over 8,000 jobs. Together they can deliver transformational change in terms of housing supply and economic growth. For every £1 of public cost, £2.4 of GVA will be generated both in the region and elsewhere. The Strategic Site Investment Prospectus and programme is an active, dynamic programme and will continue to work with City Region partners to identify future strategic sites.
- These sites all require further work and business case development with most of these homes anticipated to be delivered over the next 10-20 years. Several of the sites therefore require a long-term commitment and investment from Government, agencies and key stakeholders.

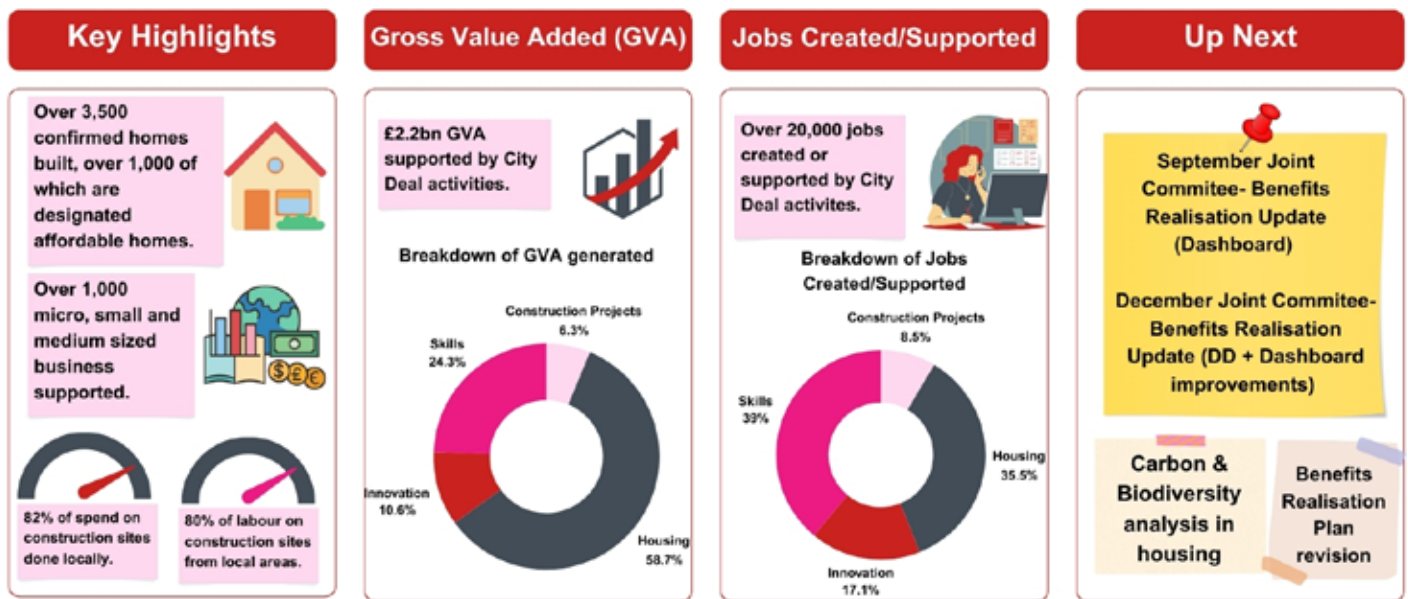


## 5. Benefits Realisation Update

In 2023/24 great progress was made in benefit realisation monitoring and reporting.

### Overview

## Benefits Realisation Overview



### Research, Development and Innovation

Status of Programme	Status	Commentary
Talent – Courses	On Track	Both UoE and HWU are ahead of projected targets to date, and are on track to exceed the end of programme target
Talent – CPD & MOOCs	Exceeded	The programme has officially exceeded its end of programme target by 118%
Research	On Track	The programme is currently 115% ahead of schedule for meeting its end of programme target
Adoption	On Track	The programme are currently only able to report figures from National Robotarium. The University of Edinburgh aims to report full figures towards the end of the year, however early indications show that they are ahead of schedule
Entrepreneurship	Exceeded	The programme has officially exceeded its end of programme target for number of companies engaged by 15%



## 5. Our Approach to Benefits Realisation

The Data-Driven Innovation programme has performed well across its five categories of Key Performance Indicators (KPIs): Talent, Research, Adoption, Datasets, and Entrepreneurship (TRADE).

- **Talent:** 103,991 course completions (reference figure) and 74,181 CPD completions (uplift). (above target).
- **Entrepreneurship:** Over 500 enterprises supported (above target).
- **Research Spend:** £207.7m has been achieved (on track to achieve target).
- **Adoption** statistics are currently being worked on.

There has also been good progress across the non-DDI elements within this theme. The Edinburgh Innovation Park in East Lothian has made a great deal of progress in its construction, which is been highlighted in one of this year’s annual report videos. Borders Innovation Park also continues to make progress toward its development.

The Fife Industrial Innovation Investment programme continues to be successful, with 29 businesses operating from the park, supporting 216 jobs. 25 of the 29 businesses have committed to paying at least the real living wage, and the average investment per unit is now £24,000. The programme has currently generated over £14m in Gross Value Added and has leveraged an additional £438,000 from the private sector.

### Skills

The IRES project has been hugely successful when examining the original KPIs for the project.

The IRES project, now in its fifth year of an eight-year programme, is exceeding its business case targets and is on track to achieve these two years ahead of schedule:



Skills improvements



Job outcomes



Career progression

Headline targets >>>

14,700

5,300

500

Outcomes to date >>>

336,000

7869

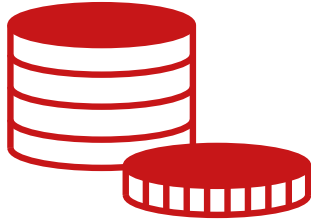
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Central to the success of the IRES programme is its extensive network of partners. This collaboration has fostered a culture of cross-sector regional collaboration, driving innovative approaches to address skills demands and opportunities. As a result, an additional £7.15 million in funding has been secured, representing a 45% increase on government funding drawn down by the IRES programme so far.

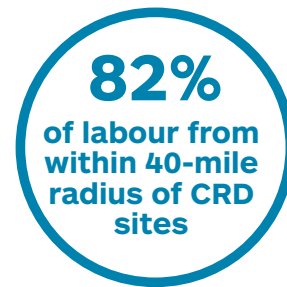
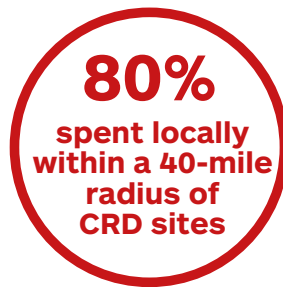


## 5. Our Approach to Benefits Realisation

An additional  
**£7.15m**



Generating and aligning community benefits across the Deal remains a priority for the IRES programme. Six of the capital builds have contributed to the following achievements:



Click here to view the live [IRES Impact Data Dashboard](#)

The breakdown of target groups and geographic spread of the IRES project will be examined further, and findings presented in the September Joint Committee 2024.

### Transport

The two Transport projects at West Edinburgh and Sheriffhall have not yet begun delivery. However, work has begun to research how benefits monitoring, and evaluation can capture benefits such as reduced travel times, reduced carbon emissions and improved connectivity within the region.

### Culture

The Dunard centre remains under construction; the benefits from this have been reported in the overall construction figures for the Deal. Additionally, there has been a concerted effort to ensure groundwork is being done with communities across the region to understand how best the Dunard centre can work with groups to support the cultural development and provide opportunities for all backgrounds to engage with the centre on opening.

### Housing

Significant collaborative effort has been put into monitoring and evaluation of the benefits of housing projects this year. Against the initial KPIs of the theme, the housing projects are currently delivering benefits above expectations when delivered. To date, 3,622 confirmed homes have been built with 1,162 of these being classed as affordable. This has returned over £1.2bn in GVA for the region and supported over 7,335 jobs.



The increase in homes has well-documented positive impacts on health, poverty and overall well-being of citizens, and particularly in the context of a housing emergency being declared within the region.

Going forward, further work will be developed to both quantitatively and qualitatively evaluate the impact of the housing projects in the region, and one area of further discussion is that of carbon neutrality and the impact on biodiversity on sites. All sites have committed to being carbon neutral by 2050, and work can be undertaken to ensure the sites do not have a negative impact on biodiverse spaces and may be able to increase these spaces.

With the demand for housing in the region so clear, further projection work has been undertaken to understand what benefits have been achieved thus far, and what may be possible if housing projects are fully supported in the future.

### **Next Steps**

In 2024/25, work will continue to be conducted to improve the monitoring and evaluation in benefits realisation reporting. The Deal's Benefits Realisation Officer will continue to work with other Deals to share learning and collaborate to ensure the highest quality, accuracy and presentation of project benefits. More work will also take place to determine how the benefits can be maximised within projects, and disbenefits can be minimised. Finally, work will be undertaken to revise the benefits realisation plan to update the timescales, monitoring and other details to ensure the document remains accurate, practical and effective in guiding the approach to benefits realisation, monitoring and evaluation.



## 6. Regional Prosperity Framework

### Regional Prosperity Framework

In September 2021, the Joint Committee approved the **Regional Prosperity Framework** and the **Regional Prosperity Framework Delivery Plan** in March 2023.

The Regional Prosperity Framework (RPF) is the articulation of the next phase of the development of the regional economy, building upon the successes of the City Region Deal both in terms of the programmes and also in terms of regional collaboration. It aims to provide a blueprint for regional economy over the next 20 years and provide future direction for major projects and investment.

The RPF Delivery Plan set out an ambitious series of four key programmes to deliver the region's ambitions:

- Green Regeneration;
- Infrastructure for Recovery and Prosperity;
- Visitor Economy and Culture; and
- Data Driven Innovation (DDI) Economy.

The 2024/25 Scottish and UK budgets did not include any funding commitments for the RPF Delivery Plan. City Region Partners want the Delivery Plan to be supported through a medium to long term, integrated, place-based funding allocation based on shared outcomes. Officers are developing the case for this funding approach and will present this to Scottish and UK Governments.

Notwithstanding this, regional partners have continued to develop projects identified in the RPF Delivery Plan, and when funding has been made available, progressed projects into delivery. For example, with UK Government Shared Prosperity Funding (UKSPF), the six Local Authorities have pooled some of their individual funding to deliver priority projects within the RPF.



A list of projects that have progressed over the last year is provided below:

- Regional Climate Risk and Opportunity Assessment (Climate Ready South East Scotland);
- Regional Net Zero Skills Accelerator Feasibility Study;
- Visitor Economy and Culture Programme;
- Regional Energy Masterplan;
- Strategic Site Investment Prospectus;
- Regional Delivery Alliance;
- Forth Green Freeport; and
- Regional Transport Delivery Plan.

Further detail on the above projects can be found in the **RPF – Annual Update** which was approved by the Joint Committee, on the 7 June 2024.



## 7. The Year Ahead

Date	Milestone
Aug 24	Edinburgh International Book Festival in the new Futures Institute building.
Sep 24	<p>Joint Committee meeting where the following items will be considered:</p> <ul style="list-style-type: none"> <li>• City Region Deal Annual Report.</li> <li>• City Region Deal Benefits Realisation: Six-Monthly update.</li> <li>• Internal Audit – Update.</li> <li>• Housing Programme Annual Update.</li> <li>• Internet of Things in Schools: Progress Update.</li> <li>• Strategic Sites Investment Prospectus.</li> </ul>
Sep 24	Open the first dedicated Telecoms Training Academy in Scotland providing six funded places for local people to embark on a career in this industry. The programme will be accredited and guaranteed support and interviews offered upon successful completion.
Sep 24	Levenmouth Business Units Complete (part of the Fife I3 Programme).
Dec 24	<p>Joint Committee meeting where the following items will be considered:</p> <ul style="list-style-type: none"> <li>• A720 Sheriffhall Six-Monthly update from Transport Scotland.</li> <li>• Borders Innovation Park (Phase 2) Change Control.</li> <li>• Culture Programme Annual Update.</li> <li>• Edinburgh and South East Scotland City Region Innovation Action Plan.</li> <li>• Integrated Regional Employability and Skills Annual Update.</li> </ul>
Early 25	Main construction begins at Dunard Centre
Jan 25	Establish Robotics Scotland with the Scottish Government as a catalytic change programme for economic development and growth.
Mar 25	<p>Joint Committee meeting where the following items will be considered:</p> <ul style="list-style-type: none"> <li>• City Region Deal Benefits Realisation: Six-Monthly Update.</li> <li>• Data-Driven Innovation Programme Annual Update.</li> </ul>
Mar 25	Fife Interchange North Units Complete (part of the Fife I3 Programme).
Spring 2025	• Granton Waterfront Final Business Case complete.
Jun 25	<p>Joint Committee meeting where the following items will be considered:</p> <ul style="list-style-type: none"> <li>• A720 Sheriffhall six-monthly update from Transport Scotland.</li> <li>• Transport Programme Annual Update.</li> </ul>
Jul 25	Start of construction of Phase 2 office building at Borders Innovation Park.
Jul 25	Completion of the construction of the Edinburgh Innovation Hub at Queen Margaret University.



## 8. Contacts and Further Information

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### Further Information

- Keep up to date with the latest news and join the mailing list at [www.esescityregiondeal.org.uk](http://www.esescityregiondeal.org.uk)
- **Data-Driven Innovation website**
- Download all Joint Committee reports including approved business cases at **The City of Edinburgh Council Committee library** website.
- Visit the **webcast library** to view recordings of each Joint Committee meeting