

## Notice of meeting and agenda

### **Edinburgh and South East Scotland City Region Deal Joint Committee**

**10.00 am Friday, 7th August, 2020**

Virtual Meeting - via Microsoft Teams

This is a public meeting and members of the public are welcome to watch the live webcast.

The law allows the Joint Committee to consider some issues in private. Any items under “Private Business” will not be published, although the decisions will be recorded in the minute.

#### **Contacts**

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Tel: 0131 553 8242

## 1. Order of Business

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- 1.1 Including any notices of motion and any other items of business submitted as urgent for consideration at the meeting.

## 2. Declaration of Interests

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- 2.1 Members should declare any financial and non-financial interests they have in the items of business for consideration, identifying the relevant agenda item and the nature of their interest.

## 3. Previous Minutes

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- |     |   |        |
|-----|---|--------|
| 3.1 | Minute of the Edinburgh and South East Scotland City Region Deal Joint Committee of 6 March 2020 – submitted for approval as a correct record | 7 - 14 |
|-----|---|--------|

## 4. Forward Planning

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- |     |   |         |
|-----|---|---------|
| 4.1 | Joint Committee Work Programme – Report by Andy Nichol, Programme Manager, Edinburgh and South East Scotland City Region Deal | 15 - 18 |
| 4.2 | Joint Committee Rolling Actions Log – none.   |         |

## 5. Items for Consideration

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- |     |   |               |
|-----|---|---------------|
| 5.1 | Sheriffhall Update (Transport Scotland)   | Verbal Report |
| 5.2 | South East Scotland Regional Transport Transition Plan – Report by Grace Vickers, Chair of City Region Deal Transport Appraisal Board | 19 - 56       |

<b>5.3</b>	City Region Deal Progress Report – Report by Monica Patterson, Chief Officer, Edinburgh and South East Scotland City Region Deal	57 - 72
<b>5.4</b>	Audit of Accountable Body – Report by Hugh Dunn, Chief Financial Officer, Accountable Body	73 - 88

## **Gavin King**

Clerk

## **Membership**

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### **The City of Edinburgh Council**

Councillor Adam McVey

### **Scottish Borders Council**

Councillor Shona Haslam

### **East Lothian Council**

Councillor Norman Hampshire

### **West Lothian Council**

Councillor Lawrence Fitzpatrick

### **Fife Council**

Councillor David Alexander

Councillor David Ross

### **Higher/Further Education Consortium**

Professor Peter Mathieson

### **Midlothian Council**

Councillor Russell Imrie

### **Regional Enterprise Council**

Leeann Dempster

Claire Pattullo

## **Further information**

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If you have any questions about the agenda or meeting arrangements, please contact Jamie Macrae, City of Edinburgh Council, Business Centre 2.1, Waverley Court, 4 East Market Street, Edinburgh EH8 8BG, Tel 0131 553 8242, email [jamie.macrae@edinburgh.gov.uk](mailto:jamie.macrae@edinburgh.gov.uk).

The agenda, minutes and public reports for this meeting can be viewed online by going to <https://democracy.edinburgh.gov.uk> .

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## Minutes

### **Edinburgh and South East Scotland City Region Deal Joint Committee**

**Main Council Chamber, City Chambers, Edinburgh**

**10.00am, Friday 6 March 2020**

**Present:**

**City of Edinburgh Council** – Councillor Adam McVey

**East Lothian Council** – Councillor Norman Hampshire (substituting for Councillor Willie Innes) (In the Chair)

**Fife Council** – Councillor David Ross, Councillor David Alexander

**Midlothian Council** – Councillor Derek Milligan

**Scottish Borders Council** – Councillor Shona Haslam

**West Lothian Council** – Councillor Tom Cowan

**Higher/Further Education Consortium** – Professor Peter Mathieson

**Regional Enterprise Council** – Leeann Dempster and Claire Pattullo

**In attendance:**

Andrew Kerr, Chief Executive, City of Edinburgh Council

Monica Patterson, Chief Executive, East Lothian Council

Steve Grimmond, Chief Executive, Fife Council

Dr Grace Vickers, Chief Executive, Midlothian Council

Andy Nichol, City Region Deal Programme Manager, City of Edinburgh Council

Graeme Rigg, City Region Deal PMO, City of Edinburgh Council

Rob Dickson, Executive Director, Scottish Borders Council

Ian Johnson, Head of Communities and Economy, Midlothian Council

Veronica MacMillan, Committee Services, City of Edinburgh Council

Craig McCorriston, Head of Planning, Economic Development and Regeneration,  
West Lothian Council

Adam Dunkerley, Opportunities Fife Partnership Manager

Professor Peter Mathieson, (Higher/Further Education Consortium)  
Jarmo Eskelinen (Data-Driven Innovation Programme)  
John Scott (Data-Driven Innovation Programme)  
Claire Pattullo (Regional Enterprise Council)

## **1. Minutes**

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### **Decision**

To approve the minute of the Edinburgh and South East Scotland City Region Deal Joint Committee of 6 December 2019 as a correct record.

## **2. Work Programme**

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The Work Programme was presented and detailed the planned dates for the City Region Deal business case approvals by Joint Committee.

### **Decision**

To note the Work Programme.

(Reference – Work Programme, submitted)

## **3. Presentation: Data Driven Innovation Programme Update**

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Professor Peter Mathieson from The University of Edinburgh provided a short introduction. Professor Mathieson advised that the University of Edinburgh had recently published its 10 year strategy (Strategy 2030) which was linked with the DDI Innovation Programme. Various goals within the strategy aligned with the DDI Innovation Programme, for example, carbon neutrality, preparing graduates for the future and work in schools.

Hugh Edmiston had been the Senior Responsible Officer for the DDI Programme was leaving his post as he had a job in Singapore. Johnathan Seckl would be taking over that role.

Jarmo Eskelinen, DDI Programme Director, and John Scott, Head of Delivery, gave a presentation on the DDI Programme. After a year and a half, the Programme was well on track and the last of the 5 innovation hubs would be completed by 2024.

Mr Eskelinen advised that the base centre had been operational for a year and was full. There were 40 companies hosted there, that included RBS, and 30 start-ups that started in the last cohort.

In partnership with Heriot Watt University, the National Robotarium was a research and development facility which would translate research into technologies to create disruptive innovation in an expanding market designed to deliver sustainable economic benefit to Edinburgh, the UK and beyond.

The Easter Bush Campus would be refitted, and the Edinburgh International Data Facility which would be a unique data storage facility.

Mr Eskelinen provided updates on the data innovation works within the NHS and other sectors and how the Programme was looking to transform companies across the region.

### **Decision**

To note the presentation.

## **4. City Region Deal Progress Report**

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Details were provided of a progress report that was being used across the City Deal's governance structure to monitor progress across all aspects of the City Region Deal. It was updated and shared with the Government on a weekly basis and was taken to all Board meetings. A RAG (Red, Amber, Green) scale was assigned to programmes and projects by the Project Management Office (PMO), as well as scored for inclusive growth and partnership working.

In this update, the overall status was assigned as 'Amber'. There were no actions required for the Joint Committee.

### **Decision**

- 1) To note the progress across the City Region Deal Programme.
- 2) To agree that the Lead Officer would liaise with Transport Scotland regarding the £2.6m grant claim in terms of costs/spend and would feed back to the Joint Committee.

(Reference – report by the City Region Deal Programme Manager, City of Edinburgh Council, submitted.)

## **5. Audit Scotland Report on City Region and Growth Deals**

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On 16 January 2020, Audit Scotland published their report on City Region/Growth Deals in Scotland. The report provided an early assessment of City Region and Growth Deals in Scotland, rather than performance of individual Deals. The report was based on interviews with key individuals representing the 12 existing and emerging city region / growth deals during the course of 2018 and early 2019.

Their key recommendation was that the Deals must have robust performance measures to demonstrate impact and value for money. Other findings of note were that it was also not clear why some deal projects were approved for funding over others, while local communities had had very little involvement in deals.

The City Region Deal partners were giving sustained and proper consideration to Audit Scotland's findings and had developed an action plan to address these issues. A table

detailing all for the Audit Scotland recommendations and the specific City Region Deal position and response formed Appendix 2 to the report.

### **Decision**

- 1) To note the summary of the findings of the Audit Scotland Report on City Region/Growth Deals, published on 16 January 2020.
- 2) To note that the City Region Deal Programme Management Office (PMO) had an action plan in place to address the issues identified in the Audit Scotland report.
- 3) To note that the Monitoring and Evaluation Framework for the Edinburgh and South East Scotland City Region Deal was under development jointly with the Scottish and UK Government and would be presented to the Joint Committee on the 5 June 2020.

(Reference – report by the City Region Deal Programme Manager, City of Edinburgh Council, submitted).

## **6. ESES Regional Response to National Planning Framework 4 “Call for Ideas”**

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The Joint Committee considered a report on the draft regional response to the NPF4 “Call for Ideas” which was appended to the report.

The key message was the regional submission to Government which was that the South East Scotland was the engine of Scotland’s economy. Unless it performed to its potential, Scotland would also lag. The key challenge for the region was that the benefits of success were not experienced by all individuals and communities, and nor were they shared across local authority areas which made up the partnership. Places like the Scottish Borders and parts of Fife did not share the same characteristics of success. Much more needed to be done to ensure that as many of the people across all places within the region could share in benefits in the future. These benefits must also be realised in the most sustainable way possible to respond to the climate challenge.

A holistic approach was required, with some major, planned, integrated initiatives that would allow the generation and spread sustainable inclusive growth. Regional partners intended to work with, and risk-share with Government to make this happen.

### **Decision**

To approve the draft regional response to the NPF4 “Call for Ideas”, subject to ratification by individual Councils, the SESplan Joint Committee and SEStran, before it was submitted to Government formally on 31 March 2020.

(Reference – report by the City Region Deal Programme Manager, City of Edinburgh Council, submitted).



## 7. Integrated Regional Employability and Skills (IRES) Programme – Update Report

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Details were provided of the progress made of the Integrated Regional Employability and Skills (IRES) Programme.

Detailed information on the progress of each of the IRES projects could be found in the Quarterly Report (Appendix 1 of the report), but a few key highlights were listed for noting:

- **Integrated Knowledge Systems (IKS)** – Had completed a range of workshops with regard to the Talent Bank element and a proposal would be developed.
- **Labour Market Analysis (LMA)** – Had appointed a new staff member and had initiated analysis activity in the Health and Social Care sector, following up the work they had done in Tourism and Hospitality. This would be presented to the IRES Board at the June Meeting.
- **Integrated Employer Engagement (IEE)** – Staff team had been recruited and stakeholder engagement was ongoing with particular success linking to Developing Young Workforce groups.
- **Intensive Family Support Service (IFS)** – Legal agreements between Fife Council and the other five local authority partners were being developed. A project specification has been finalised, with local variations linked to the findings from co-production activity and a Public Information Notice (PIN) was posted on Public Contracts Scotland on 12 February 2020, asking for expressions of interest.
- **Housing Construction & Infrastructure (HCI) Skills Gateway** – Wave 1 had commenced across all local authority areas and school outreach was going well. Fife was the only area where engagement with schools had not yet taken place, but contact had been made to set this up.
- **Digital Driven Innovation (DDI) Skills Gateway** – Data Education in Schools programme had commenced and was working in four curriculum areas. Other parts of the project (in Colleges and Universities) would commence in quarter 4. The Equality and Diversity lead, working across both Skills Gateways left post in January and recruitment had begun for a replacement
- **Workforce Mobility** - Project Lead job specification had gone through the evaluation process and would be advertised before end of February 2020.

### Decision

- 1) To note the change made to the Chair of the IRES Board and changes being made to the Skills PMO, in line with the approval from the Executive Board in December 2019.

- 2) To note the progress being made in each of the IRES projects, as outlined in the Quarterly Report (Appendix 1 of the report).
- 3) To support the actions that would be taken forward after the Reflection Workshop held on 22 November 2019.
- 4) To note the work being done with IRES Project Leads to provide Scottish Government with a flattened financial profile for the coming years.
- 5) To agree that the Convener of the Joint Committee would write to the Scottish Government regarding the importance of having flexibility in terms of spend in future years of the project, and that the letter would be circulated by email for approval by the Joint Committee.

(Reference – report by the Chair of the Integrated Regional and Employability Skills Board, Edinburgh and South of Scotland City Region Deal, submitted).

## **8. The A720 Sheriffhall Roundabout Junction Upgrade Scheme**

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An update was provided on the A720 Sheriffhall Roundabout Junction Upgrade Scheme.

The agreed terms of the Edinburgh and South East Scotland City Region Deal (ESES CRD) concluded between the City Deal partners and the UK and Scottish Governments, included a commitment by Scottish Government of up to £120m to support improvements to the A720 City Bypass for the grade separation of Sheriffhall Roundabout.

In December 2019 Transport Scotland, acting on behalf of Scottish Ministers, published draft Orders for the scheme to which any objection could be submitted by 31 January 2020. The ESES CRD partners submitted a representation supporting the scheme, urging Scottish Ministers to complete the statutory procedures and implement the upgrade without undue delay.

The Scottish Government budget, approved by the Parliament on 27 February 2020, included a commitment by the Government to engage with the local partners to seek their agreement to undertake a review of the scheme and its compatibility with the Scottish Government's environmental obligations.

At its meeting on 28 February 2020 the City Region Deal Leaders' Group asked the Chair of the City Region Deal Transport Appraisal Board to write to Transport Scotland seeking further information on the scope and timing of this review. In response Transport Scotland had set out their position on the matter as noted in their letter of 5 March 2020 attached at Appendix C to the report.

### **Decision**

- 1) To note the content of the correspondence with Transport Scotland in relation to the Scottish Government's commitment to undertake a review of the A720 Sheriffhall Roundabout Junction Upgrade Scheme.
- 2) To agree to articulate clearly and forcefully the serious concerns of the Joint Committee that Scottish Ministers committed to undertaking a review of the A720 Sheriffhall scheme without any prior consultation with, or even notification of, the City Deal Joint Committee.
- 3) To agree that, along with senior Transport Scotland officials, the relevant Scottish Ministers were invited to the intended additional meeting of the Joint Committee to consider the implications of the prospective Scottish Government review of the scheme.

(Reference – report by the Transport Appraisal Board, Edinburgh and South of Scotland City Region Deal, submitted).

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# Edinburgh and South East Scotland City Region Deal Joint Committee

**10 am, Friday 7 August 2020**

## **Work Programme for City Region Deal Joint Committee**

**Item number 4.1**

### **Executive Summary**

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This paper outlines the planned dates for City Region Deal business case approvals by Joint Committee.

#### **Monica Patterson**

Chief Officer, Edinburgh and South East Scotland City Region Deal

Contact: Andy Nichol, Programme Manager, Edinburgh and South East Scotland City Region Deal

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## Work Programme for City Region Deal Joint Committee

### 1. Recommendations

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- 1.1 To note the planned dates for future business for the City Region Deal Joint Committee.

### 2. Background

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- 2.1 The City Region Deal partners and Government are working towards business case approval timelines, as set out in this report. This matches with the timeline for drawing down funds from Government over the 15 years of the City Region Deal as set out in the Financial Plan agreed in summer 2018, and grant offer letter for 2019/20.
- 2.2 The dates are subject to business cases being approved by: The Scottish Government; the UK Government; the relevant Boards within the City Region Deal structure; and the relevant Council committees and/or Higher and Further Education Courts, prior to Joint Committee consideration.
- 2.3 In addition to the business cases, other reports that are expected to be submitted to Joint Committee are included in the work programme.

### 3. Main report

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- 3.1 The work programme for Joint Committee meetings that partners are currently working towards is shown in Table 1:

**Table 1: Work Programme for Joint Committee**

Joint Committee Date	Reports for consideration
7 August 2020	<ul style="list-style-type: none"><li>• South East Scotland Regional Transport Transition Plan</li><li>• Audit of Accountable Body</li></ul>
4 September 2020	<ul style="list-style-type: none"><li>• City Region Deal Monitoring and Evaluation Framework</li><li>• City Region Deal Annual Report 2019/20</li></ul>
4 December 2020	<ul style="list-style-type: none"><li>• Dunfermline Strategic Housing Site Business Case</li></ul>
5 March 2021	<ul style="list-style-type: none"><li>• Edinburgh Innovation Park (Queen Margaret University) Business Case</li><li>• Easter Bush Business Case</li></ul>

- 3.2 The A720 City Bypass grade separation of Sheriffhall Roundabout is being managed and delivered by Transport Scotland. Transport Scotland provide updates on progress to the Transport Appraisal Board, as well as the Executive Board and Joint Committee as and when appropriate.

#### **4. Financial impact**

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- 4.1 There is no financial impact relating to this report. Financial cases are being set out in detail in the respective business cases. Financial contributions that are required by partner organisations for projects are being requested in separate reports to councils or courts prior to being taken to Joint Committee for approval.

#### **5. Alignment with Sustainable, Inclusive Growth Ambitions**

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- 5.1 Inclusion is a key driver for the City Region Deal. Business cases for projects included demonstrate how they will reduce inequalities and tackle the inclusion challenges specific to the city region.
- 5.2 A Monitoring and Evaluation Framework is being developed for the programme, which will incorporate clear indicators to align with the Scottish Government's Inclusive Growth Framework. The impact on equalities, human rights and sustainability are also being incorporated into the framework. The framework is expected to be agreed by Governments and Joint Committee in September 2020.

#### **6. Background reading/external references**

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- 6.1 [City Region Deal Document](#): August 2018

## 7. Appendices

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None.



## Edinburgh and South East Scotland City Region Deal Joint Committee

10 am, Friday 7 August 2020

### South East Scotland Regional Transport Transition Plan

Item number : 5.2

#### Executive Summary

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As the easing of Covid-19 lockdown restrictions progresses, there is an urgent need to put in place measures that will address the challenges presented by increasing demand for public transport services at a time when the capacity of those services is severely reduced by social distancing requirements.

At national level, Scottish Government announced its Transport Transition Plan on 26 May, and highlighted the importance of addressing the particular pressures that could be expected in the Edinburgh and Glasgow city regions.

In response, the City Region Deal Transport Appraisal Board has been reformed into a Regional Transport Transition Group, comprising officer representatives of the six City Region Deal Councils plus representatives from Clackmannanshire and Falkirk Councils, together with officer representatives from Transport Scotland and the Regional Transport Partnership, SEStran. That Group, in close consultation with public transport operators, has prepared packages of measures for the main transport corridor routes into and out of Edinburgh, *Summary Note on Proposed Quick Wins* (Appendix C), with particular emphasis on supporting public transport operations and prioritising capacity of public transport, encouraging greater levels of active travel (walking/wheeling/cycling), and reducing the extent of potentially increased private car use.

The need for the implementation of measures is urgent, with a number of priority interventions already being prepared. Of particular importance will be maximising the capacity of the public transport system to manage effectively the expected impacts of the reopening of schools from 11 August.

**Grace Vickers**

Chair, Transport Appraisal Board, ESESCR Deal

Contact: Ian Johnson, Head of Major Projects, Midlothian Council

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# Report

## South East Scotland Regional Transport Transition Plan

### 1. Recommendations

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- 1.1 To note the Scottish Government's announcement of its national Transport Transition Plan.
- 1.2 To note the arrangements within this city region for contributing to the national Transport Transition Plan, and the terms of reference for the South East Scotland Region Transport Transition Plan Group as set out at Appendix B to this report.
- 1.3 To approve the proposed transport transition measures and interventions for this city region as set out at Appendix C to this report.
- 1.4 To authorise the Transport Transition Plan Group to prepare a collective bid by all of the regional local authority partners for submission to Scottish Government for funding from its Bus Priority Fund.
- 1.5 To receive further reports on the progress of these measures and interventions together with any additional proposals to support the primary aims of the Transport Transition Plan.

### 2. Background

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- 2.1 On 26 May 2020, the Scottish Government's Cabinet Secretary for Transport, Infrastructure and Connectivity announced the Scottish Government's Transport Transition Plan. At around the same time, the Cabinet Secretary wrote to Council Leaders and Chairs of Regional Planning Partnerships. The letter (Appendix A to this report) notes the reduction in public transport capacity during the lockdown and, because of ongoing social distancing requirements, the certainty of such reduced capacity for an extended period of time. It therefore highlights the risk of increased car use, with consequent adverse impacts on congestion, air quality, and increased inequalities; and the need to counteract this through a 'green recovery'.

- 2.2 Moving on to the process of assessment and implementation of measures, the letter refers specifically to the urgency and scale of the public transport challenges in the Edinburgh and Glasgow city regions, and notes that Transport Scotland will be looking to engage with local authorities and regional transport partnerships in those regions.

### 3. Main report

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- 3.1 The Edinburgh and South East Scotland already has a regional governance structure through the City Region Deal, as well as an established regional transport arrangement through the Regional Transport Partnership, SEStran. It was therefore considered most effective and efficient to reform the existing City Region Deal Transport Appraisal Group into a Regional Transport Transition Group (RTTG) comprising officer representation of the eight Councils in the region (the City Region Deal six plus Clackmannanshire and Falkirk) together with Transport Scotland and SEStran. Terms of reference for the RTTG, and which mirror those of the Glasgow region group, have been prepared, a copy of which are attached at Appendix B to this report. Those terms of reference define the RTTG as an advisory, and not a decision-making body. This accords with the status of the RTTG within the City Region Deal governance structure, as shown at Appendix D to this report. That structure diagram also shows the Joint Committee as the decision making body. In addition, it can be noted that the final decision on any specific measure or intervention requires the approval of the relevant Council as local roads authority within which the proposal lies.
- 3.2 The RTTG has established its main aims and objectives, as set out in the document *Summary Note on Proposed Quick Wins*, attached at Appendix C to this report. From initial assessment it is clear that the focus of activity needs to be the expected pressures on the main transport corridor routes into and out of Edinburgh. Accordingly, three subgroups were formed on a geographic sector basis to consider and recommend packages of proposals for the main transport corridors in each sector. The three sectors are North (Fife to Edinburgh), West (West Lothian, Falkirk, Clackmannanshire to Edinburgh), and South/East (East Lothian, Midlothian, Scottish Borders to Edinburgh). The results of that ongoing assessment are provided in the document at Appendix C, and represent the first tranche of urgently required measures and interventions; to be followed by further proposals as a second phase.
- 3.3 In order that the Cabinet Secretary could be informed of progress across Scotland, Transport Scotland requested information from the RTTG. Following consultation with the eight local authorities represented on the RTTG the *Summary Note on Proposed Quick Wins* (Appendix C to this report) was sent to Transport Scotland on 21 July.
- 3.4 There is a clear need for urgency in the implementation of measures to ensure that public transport prioritisation is delivered as the demand post lockdown increases, and thereby reduce the risk of increased private car use. Of particular significance

will be the need to ensure that measures and interventions are in place to minimise the extent of the impacts arising from the reopening of schools from 11 August.

## **4. Financial impact**

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- 4.1 The document at Appendix C provides an initial estimated cost of between approximately £2.3 million and £3.0 million for the proposed first tranche of measures. Whilst some Councils may be able to fund very modest measures from within existing budgets, the majority of the measures will require funding from other sources.
- 4.2 On 16 July the Scottish Government announced a £10m fund to support local authorities to reduce the impact of congestion on the busiest bus routes; including such measures as bus lanes and bus gates. Local authorities are therefore invited to submit bids, including on a joint basis through a lead partner, the critical requirement being that the measures receiving funding are implemented rapidly to ensure greatest effect.
- 4.3 A Finance Subgroup of the RTTG meets regularly to consider the resource issues; and this includes not only funding, but the operational capacity of local authority roads departments to implement and support the approved measures.

## **5. Alignment with Sustainable, Inclusive Growth Ambitions**

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- 5.1 In the post lockdown phases, an efficient regional public transport system will be an essential requirement if the regional economy is to experience strong and rapid recovery in a range of sectors, including employment, education/training, retail, commercial leisure and other services.
- 5.2 The first tranche of proposals set out in Appendix C to this report align closely with the environmental objectives of maximising public transport and active travel; and thereby reducing the amount of travel undertaken by private car.

## **6. Background reading/external references**

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- 6.1 [Announcement on 26 May 2020 of the Transport Transition Plan for Scotland](#) by the Scottish Government Cabinet Secretary for Transport, Infrastructure and Connectivity.
- 6.2 [Transport Transition Plan](#): Transport Scotland Website

## **7. Appendices**

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Appendix A: Letter dated 22<sup>nd</sup> May 2020 from the Scottish Government Cabinet Secretary for Transport, Infrastructure and Connectivity to Council Leaders and Chairs of Regional Transport Partnerships.

Appendix B: Terms of Reference for Transport Transition Plan South East Scotland Region Group (June 2020).

Appendix C: *Summary Note on Proposed Quick Wins* (July 2020) ; prepared by the RTTG and submitted to Transport Scotland on 24/07/20.

Appendix D: Edinburgh and South East Scotland City Region Deal Governance Structure



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To Council Leaders & Regional Transport  
Partnership Chairs

22 May 2020

Colleagues,

### **Transport Transition Plan Engagement**

I would like to thank you and your Council for the significant work that you have undertaken during this unprecedented time to keep the local transport networks safe and operational.

During the Scottish Parliament Rural Economy and Connectivity Committee meeting on the 13 May 2020, I outlined our intention to set out how our Transport Transition Plan will support Scotland's people and businesses on our transition out of lockdown. Further detail can be found at <https://www.transport.gov.scot/news/cabinet-secretary-sets-out-latest-transport-response-to-covid-19-outbreak/>. This will be an evolving process and we will engage Local Authorities and Regional Transport Authorities as it develops.

We are drawing together evidence to inform our plan, however one clear and significant challenge is around public transport. During lock down demand for public transport has fallen by between 85 and 90 per cent against 'normal' since 23 March. As we move towards easing lock down measures operators are estimating that capacity will be between 10 and 25 per cent of 'normal' with the level of physical distancing required. There is a risk this will result in increased private car use, leading to congestion, poor air quality and increased transport inequalities, particularly for the 29 per cent of households in Scotland that do not have access to a car.

We continue to take action to stabilise the transport system and prepare for physical distancing. Further details on the action I have taken can be viewed at <https://www.transport.gov.scot/coronavirus-covid-19/>. A key focus of our on-going work is to ensure that we continue to support a green recovery to deliver our Climate Change commitments and reduce inequalities.

As our national work continues I know you will also be leading your local and regional transport planning responses, in line with your transport responsibilities, which I recognise will be central to the success of the transition. I would encourage you to continue to take a cross boundary approach with your neighbouring authorities where needed.

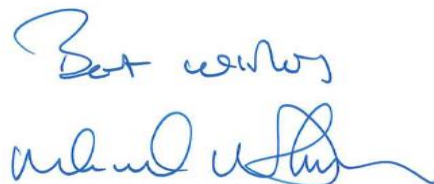
While we have already been working closely, there will be a continuing need for collaboration to align approaches across our respective transport networks. I therefore intend to include within the Transport Transition Plan a statement on how we continue to engage with local authorities, regional transport partnerships and operators to operationalise the measures across Scotland. I would therefore ask you to consider what Transport Scotland input you may require in relation to your own transition transport planning. Please forward this to Amy Phillips (Amy.Phillips@transport.gov.scot) at Transport Scotland in the first instance.

Our engagement to date has reflected the differing challenges across the country, such as the on-going ferry operation discussions we have held with Island Authorities from start of the crisis. In the short term, Transport Scotland is also looking to engage directly with the local authorities in the Edinburgh and Glasgow city regions at an operational officer level. The urgency and scale of the public transport challenge in these areas requires immediate joined up working to manage the operational interactions between the respective networks for which we are responsible.

We are not seeking to underplay the challenges across rural areas of Scotland, other cities and areas of the country. We value Local Authorities' consideration in this regard, therefore I have asked for a Transport Transition Plan National Advisory Group to be set up with proposed membership to include representatives from COSLA, SOLACE, RTPs, SCOTS and other selected members.

We have held on-going discussions with COSLA, SOLACE, RTPs and SCOTS since the start of the emergency and will continue engagement on the Transport Transition Plan in the coming weeks as outlined above.

We look forward to engaging on our respective plans as we rise to the collective transport challenges as we safely transition out of lockdown to the new normal.



**MICHAEL MATHESON**

## Purpose and Terms of Reference for Transport Transition Plan South East Scotland Region Group

### *Purpose*

1. To align approaches and share knowledge of national, regional and local transport planning activity to safely increase capacity across the transport system and manage demand in our journey along Scotland's route map through and out of the crisis. This will include broader considerations relating to equality impacts and consideration of tailoring measures, for example to specific geographies and sectors.

### *Draft Terms of Reference*

2. The Group will:
  - a) consider regional, local and national transport as it applies in the travel to work area with a focus on issues within and on approaches to city centres to assist in Transport Scotland's evolving Transport Transition Plan;
  - b) focus on increases in travel demand and capacity in line with the second National Transport Strategy sustainable travel hierarchy and interactions between modes as appropriate while considering the four harms set out in *COVID-19: A Framework for Decision Making (23 April 2020)*;
  - c) identify regionally specific and cross-cutting issues, challenges and opportunities associated with increasing travel demand and capacity;
  - d) collectively engage to address these as and where appropriate;
  - e) input consideration of regional equality issues as per due regard to the need to eliminate discrimination and advance equality of opportunity;
  - f) input into scenario planning and provide advice on whether proposed scenarios or policy interventions appropriately and effectively reflect the operational requirements of the transport system from the regional perspective;
  - g) work together on key transport messaging and communication strategies to support the recovery and build confidence in the public transport system;
  - h) offer insight and feedback from those delivering services and measures to input into government decision making;
  - i) review and challenge material to support the response produced by Transport Scotland/Scottish Government, sectoral bodies and/or others; and
  - j) continue to bring together expertise and data in the monitoring of networks as we transition out of lockdown; and
  - k) advise Transport Scotland on the readiness of transport sectors to manage increased demand/service provision as appropriate.

### 3. Confidentiality

As the Group may be asked for its views on proposals that are still in development, and which have not yet been made available to the public, all discussions and material will be confidential.

Papers may be shared with named individuals who are not members of the group with the prior agreement of the co-chairs.

### 4. Conduct

Members of the group are expected to contribute their expertise as independent members and not to promote the interests of one organisation or sector. Members are asked to challenge assumptions and scenarios and should, likewise, expect to be challenged by other members of the group however this will be done respectfully.



5. Membership

- The City of Edinburgh Council
- Clackmannanshire Council
- East Lothian Council
- Falkirk Council
- Fife Council
- Midlothian Council
- Scottish Borders Council
- West Lothian Council
- SEStran
- Transport Scotland
- Public Transport Operators to be invited as required and agreed with the co-chairs.
- Other representatives can be invited with prior agreement of the co-chairs.

6. Secretariat

The secretariat function will be provided by the Edinburgh and South East Scotland City Region Deal Project Management Office.

Frequency of meetings to be confirmed, however it is anticipated that meetings will initially be held once or twice weekly, with the first taking place on the week commencing 1 June. Shorter, *ad hoc* meetings with selected members could take place more frequently depending on the requirement and speed of decision making that is required.

Frequency, role, remit and need for the group by all partners to be reviewed every two weeks.

The secretariat will aim to provide papers a day in advance but this may not be possible due to the speed at which work is commissioned and the need for quick turnaround.

The names and roles of all of those attending should be submitted to the secretariat in advance to enable a roll call at the start of each meeting and for the record, including any substitutions to agreed representatives.

7. Chairs

It is proposed that Grace Vickers, as Chair of the Edinburgh City Region Deal Transport Appraisal Board, and Alison Irvine, Transport Scotland Co-Chair, noting that these are bespoke and sit alongside, but separate to, the City Region Regional Transport Working and other Transport Groups.



# South East Scotland Transport Transition Plan

Summary Note on Proposed Quick Wins

24 July 2020

## South East Scotland Transport Transition Plan

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Appendix A. Summary Plans

## 1. Introduction

The South East Scotland Transport Transition Group ('the Group') came into being on 3rd June 2020. The Group has been established specifically to develop and oversee the Regional Transport Transition Plan for the transition out of emergency lock down implemented to deal with the COVID-19 pandemic. The Group brings together local, regional and national partners to jointly plan for the management of the transport network and any additional measures needed during this period. The Plan seeks to set out the interventions required at a regional level to support the Transport Transition Plan published by Transport Scotland on 26 May 2020.

Membership of the Group consists of the following authorities:

- City of Edinburgh Council
- Clackmannanshire Council
- East Lothian Council
- Falkirk Council
- Fife Council
- Midlothian Council
- Scottish Borders Council
- SEStran
- Transport Scotland
- West Lothian Council

Given the scale and urgency of the challenges, the emphasis has been on developing practical interventions that have the potential to provide immediate benefits that can support the operation of public transport, and particularly bus operations, within the region whilst capacity remains a key constraint. To achieve this, three corridor sub-groups have been set up with very active and positive participation from bus operators joining representatives from the relevant Group member to focus on developing, prioritising and implementing packages of interventions that can address the challenges and objectives set. The three corridor groups reflect what are seen as the most critical regional level movements:

- North (Fife to/from Edinburgh)
- West (West Lothian, Falkirk, Clackmannanshire to/from Edinburgh)
- South/East (East Lothian, Midlothian and Borders to/from Edinburgh)

This summary paper sets out the considerable progress that has been made in identifying and prioritising a range of very practical quick-win interventions to meet the specific needs of each corridor. The packages of recommended interventions are summarised along with indicative timescales and cost ranges for implementing these. The paper also highlights the importance of other supporting measures including communications to users being taken forward in parallel to these infrastructure-based interventions.

## 2. Identification of Key Issues on the Corridors

The initial meetings of the three corridor groups considered the key issues facing bus operators in the face of limited bus capacity and the gradual relaxation of lockdown measures. Operators have very effectively fed in the practical day to day issues they are experiencing as they ramp up services. The work has also been informed by the transport modelling work undertaken by Transport Scotland to inform the key public transport capacity constraints and key movements for the different stages of the Transport Transition Plan.

The key issues in each corridor are summarised in Table 2.1 below.

Table 2-1: Key Issues by Corridor

Corridor	Issue
North (Fife to Edinburgh)	<p>Current low usage of Halbeath and Ferrytoll Park &amp; Ride sites</p> <p>Congestion on the approach to Barnton junction increases bus journey times</p> <p>Evening peak services from the city centre are delayed on the approach to Blackhall junction</p> <p>Queensferry Street bus stops result in bus congestion and delays</p> <p>Queensferry Street waiting space for passengers is insufficient to enable social distancing</p>
West (West Lothian, Falkirk, Clackmannanshire to Edinburgh)	<p>Newbridge Roundabout and approaches - queuing in both Eastbound and Westbound directions from A8 and A89</p> <p>A8 Gogar – Maybury - Buses get caught in general congestion approaching the Maybury Road junction from west through underpass</p> <p>Access egress delays for buses at Park &amp; Ride sites eg Hermiston</p> <p>Key city bus stops/interchange points in Edinburgh where there are conflicts with parked cars and limited pavement space eg Drum Brae Roundabout and Roseburn</p> <p>Key West Lothian bus stop areas where there are conflicts with on-street parking and limited pavements space eg Bathgate, Broxburn, Uphall and Mid-Calder</p>
South/East (East Lothian, Midlothian and Borders to Edinburgh)	<p>Sheriffhall, Gilmerton and Kaimes junctions are all congested resulting in public transport delays</p> <p>Traffic volumes on Melville Dykes Road result in morning peak public transport delays of up to 10 minutes on routes from Bonnyrigg</p> <p>Queues on the A1 approach to the Jewel roundabout result in public transport delays</p> <p>Key East Lothian bus stop areas where there are conflicts with on-street parking and limited pavement space eg Musselburgh and Prestonpans</p>

### 3. Development of Packages of Interventions

The three sub-groups sought the views of the operators, local authorities, SEStran, Transport Scotland and the consultants (Jacobs) on potential quick win interventions that could at least in part address these issues to the benefit of bus users, bus operators and wider communities.

From these discussions it was clear that an integrated package approach across the corridors was essential to maximise the benefits against the objectives set and that this would also assist when communicating these to the wider public. Individual interventions on their own would have limited impact on improving bus operation and making journey times more reliable, which is critical to helping overcome limited capacity and providing the necessary operational flexibility for operators through this rapidly evolving period. Improving journey times for public transport and particularly bus services is also seen as vital as we gradually move from a position of deterring public transport usage for all but essential journeys to one in which this is seen as an attractive option alongside active travel in deterring significant growth of car based journeys with the impacts on safety and emissions that could result from this. The recommended packages that are summarised in the tables and plans on the next few pages have adopted this approach.

There has been considerable progress in delivering practical initiatives in the South East of Scotland to benefit those walking, wheeling and cycling through the Spaces for People and related initiatives. Ensuring careful

consideration of the interfaces between bus priority and related interventions and the interfaces with these active-travel focussed initiatives has been an important consideration within this work.

Indicative plans showing the location of each intervention are given in Appendix A. Proposed timescales are defined as:

- Short term – implemented by the end of August
- Medium term – implemented by the end of September
- Long term – implemented from October onwards

## 4. Assessment and Prioritisation of Interventions

The emphasis of this work is on the urgent implementation of quick wins that can greatly assist public transport and particularly bus services to play the critical role that is essential as Scotland emerges from lockdown. A complex appraisal process was not deemed to be appropriate for this exercise and, instead, a light touch assessment framework has been devised with six key objectives as well as several deliverability criteria to assist in identifying and prioritising interventions. The six objectives agreed by the SESTTG are set out below:

- To support walking, cycling and wheeling for all or part of commuter and non-commuter journeys as far as practical.
- To maximise safe and efficient use of public transport including to support continued viability of the public transport system.
- To ensure public transport is available for those most dependent on bus, tram and rail services during the easing of lockdown.
- To mitigate against the potential for an increase in private car use during the easing of lockdown.
- To co-ordinate and disseminate regional messaging to support the safe use of the transport network, restore passenger confidence, and manage travel demand in line with national guidance.
- To ensure measures facilitate connected, multi-modal journeys.

The tables that follow summarise the interventions in each of the three corridors that have emerged positively from this assessment process. This provides an indication of the assumed benefits of the individual interventions against the objectives set using a 5-point scale (+2 to -2) that has been informed through discussions at the corridor sub-groups with invaluable input from bus operators as well as the authorities. The regional messaging objective is less appropriate for this assessment but is directly supported by other communication related initiatives that are being taken forward by the Transport Transition Group and Transport Scotland.

In addition to the assessment of interventions against the objectives, key issues around deliverability have also been considered. A number of measures that performed well against the objectives but could not be taken forward quickly have not been progressed but may be very relevant for longer term infrastructure plans at the local, regional and national level.

## 5. Overall Benefits of the Corridor Packages

In Section 3 on the development of the of interventions, the need for an integrated package approach was stressed within and indeed across the corridors to maximise the benefits against the objectives. This approach is equally important when we consider the assessment of the overall benefits of the interventions – it is the impact of the measures collectively in tackling key issues relating to bus journey times and journey time reliability and also the quality and accessibility of provision for users that is critical rather than the impact of an individual measure in isolation.

Assessing the benefits of these quick-win measures, by their very nature, is difficult given the pace at which they have had to be developed and the limited modelling of measures that has been able to take place to date or indeed is appropriate for many of the measures, particularly those focussed on safety or qualitative improvements. Improvements to journey time reliability rather than just journey times has also been highlighted as critical during the emergence from lockdown given the rapidity of changes to traffic levels both within the day and from day to day. Again these benefits are difficult to estimate - close monitoring of the interventions with the bus operators when they become operational will be essential to give a true picture of the benefits.

Despite the difficulties assessing and quantifying the benefits highlighted above it has been possible through engagement with bus operators and some model outputs and professional judgement to get an initial feel of the scale of the benefits that could realistically be achieved by the corridor packages. These estimates of key benefits are set out in Table 5-1 against the relevant corridors. As further clarity emerges on the scope of any wider regional interventions and any temporary expansion of park and ride site, the potential benefits of these measures will be similarly assessed.



Table 5-1: Public Transport Benefits by Corridor

Corridor	Route	Scheme	AM Benefit	PM Benefit	Other Key Non-Quantifiable Benefits / Comments
North	M90 / A90	Halbeath P&R access	1		Improved bus journey time reliability
		P&R enhancements at Halbeath and Ferrytoll			Improved waiting environment / operational benefits
		Cramond Brig to Barnton bus lane	6		Bus journey time savings subject to detailed modelling
		Queensferry Road SCOOT upgrade	1	2	
		Blackhall westbound bus lane extension		2	
		A90 queue relocation (Barnton / Blackhall)			Long term intervention offering significant travel time saving
		Relocation of Queensferry St stops to Charlotte Square	1	2	Improved city centre waiting environment
		M90 / A90 travel time saving	9 mins	6 mins	
West	A89 / A8	Temporary buildouts and parking enforcement, Bathgate	2	1	Improved bus journey time reliability / passenger environment
		Temporary buildouts and parking enforcement, Uphall	1	1	Improved bus journey time reliability / passenger environment
		Peniel Place / A89 temporary traffic signals	2		Bus journey time savings subject to detailed modelling
		A89 viaduct to B800 bus lane	2		
		Newbridge Roundabout - signal optimisation and circulatory lining adjustments			Increases eastbound capacity / reliability
		A8 Westbound bus lane – Airport to Newbridge		10	Bus journey time savings subject to detailed modelling *Short term benefit only (see footnote)
		Citybound bus lane on approach to Maybury			Improvement enhances journey time reliability
		Extend Drum Brae stop to reduce waiting delays	1	1	Provides increased passenger waiting space
		A89 / A8 travel time saving	8 mins	13 mins	
	A71	Temporary buildouts and parking enforcement, Mid Calder	1	1	Improved bus journey time reliability and passenger waiting environment
		Signalisation of the A71 / B7105 junction	1		Improved journey time reliability
		Signalisation of Hermiston P&R access to improve bus egress			Improved journey time reliability
		Extended bus lane operating hours			Improved journey time reliability
		A71 travel time saving	2 mins	1 min	
	A70	Westbound bus lane towards Gillespie Crossroads		3	Bus journey time savings subject to detailed modelling
		A70 travel time saving	-	3 mins	

Corridor	Route	Scheme	AM Benefit	PM Benefit	Other Key Non-Quantifiable Benefits / Comments
South / East	A701	Straiton (yellow box + signal optimisation)	3		
		Kaimes Crossroads			Improved journey time reliability
		A701 southbound bus lane on approach to Kaimes		2	
		A701 travel time saving	3 mins	2 mins	
	Lasswade Road	Melville Dykes Road / Hillhead junction	10		Significant journey time saving at this location
		Wadingburn signal optimisation	2		Significant journey time saving combined with the above
		Lasswade Road travel time saving	12 mins	-	
	A772	Gilmerton Crossroads signal timings and parking	2	2	
		A772 travel time saving	2 min	2 min	
	A7	Sheriffhall signal time adjustments A7 / A6106	2	2	Bus journey time savings subject to detailed assessment
		A7 travel time saving	2 mins	2 mins	
	A1	Linkfield Road bus lanes	3		
		Dalrymple Road traffic signals review			Improved journey time reliability
		Splitting of bus stops on Musselburgh High St	1	1	
		Review of parking on Tranent and Prestonpans High Streets			Improved bus journey time reliability and town centre environments
		A1 travel time saving	4 mins	1 min	
	B6415	Abercorn Terrace bus / active travel improvements			Bus journey time savings require further analysis
	A6106	A6106 northbound approach to Milton Road			Bus journey time savings require further analysis
	A6095	Niddrie Mains Road			Corridor bus journey time savings require a separate study 5 min morning peak eastbound delay reported by Lothian Buses

\*An A8 westbound bus lane will hinder both bus and general traffic journey times at the point that the back of the single traffic queue extends east of the Airport junction. Once the financial sector returns to work (eg Edinburgh Park and RBS) it is likely that the bus lane will need to be removed.

## 6. Monitoring and Evaluation

The importance of monitoring the success or otherwise of any of these interventions and the overall packages has already been stressed. Many of the interventions are, by their very nature, flexible in nature allowing adjustments to be made in the light of the experience of operators, authorities, passengers and indeed other street/road users. Good examples are further adjustments to traffic signal timings at key junctions or adjustments to the length of bus lanes. Where possible it will be important to build some of this flexibility into the design, TTRO and related arrangements.

The governance structure already set up with the three corridor groups as well as the overall regional group provides an excellent framework to monitor the performance of the measures individually and collectively including as it does the direct involvement of bus operators as well as all the relevant authorities with their local knowledge. The importance of having resources available to assist with monitoring on the ground including where appropriate camera monitoring has been reflected in the overall costings provided.

## 7. Delivery

It is proposed that the highly effective collaborative working approach that has been used to date in developing the packages of interventions in each of the three corridors would be retained into and through the delivery phase. It is also proposed that the City of Edinburgh Council would act as lead authority, working very closely with the relevant authorities, SEStran and the bus operators in each of the corridors with virtual meetings of the corridor groups as and when appropriate. This will ensure that operators can be actively involved in the final specification of the measures and also contribute to the monitoring of their success with any adjustments as appropriate. Overall management of any funding provided by Transport Scotland, for example through the recently launched Bus Priority Rapid Deployment Fund would need to be through a lead authority (potentially CEC) agreed by the South East Scotland Transport Transition Group, but with responsibility for individual measures allocated as appropriate to the respective authority within which these are located. Consultancy support is currently being provided to CEC by Jacobs which has assisted with the development and costing of these packages and the related reporting and the provision and procurement of any necessary support for other authorities is now under consideration by the regional group and the Finance Sub-Group.

Given the very demanding timescales for delivery of these interventions due to the urgency of the challenges, there are of course potential risks that will need to continue to be updated, resolved or mitigated. The table below sets out a few of the key risks and potential mitigation measures already in place or needing to be considered. It is recommended that this is expanded and regularly updated through the process of delivering the interventions and associated monitoring and evaluations.

Table 7-1: Delivery Risks

Key Delivery Risks	Potential Mitigation Measures
Inadequate resources within individual authorities leading to an uncoordinated approach in individual corridors	Effective Regional and Corridor sub groups including all key relevant authorities and bus operators (in place) Consultancy support to assist with co-ordination and delivery (potential need for additional support in some authorities)
Political and Public Support for interventions	Regular briefings of politicians at local, regional and national levels (already in place) Clarity on benefits of the interventions through communication strategy (being actively progressed by TS and regional communications group) Ongoing monitoring and evaluation of benefits with appropriate resources and communications
Potential conflict with Spaces for People and other initiatives	Discussion of any potential conflicts/opportunities within sub groups and associated workstreams (in place) Consideration of this interface within assessment process (in place) Integrated governance approaches to delivery within individual authorities (as in CEC)
Inadequate funding to implement interventions as comprehensive and integrated packages	Effective Regional governance structure with Finance Sub-Group actively considering funding and resourcing Co-ordinated approach to funding applications eg Bus Priority Rapid Deployment Fund

## 8. Costing of Measures

Following agreement in all of the corridor sub-groups on those measures to be progressed further, indicative cost estimates have been prepared with a low and high cost provided. Given the very tight timescales and with design work still to commence on many of these measures, these costs are very much draft estimates although based where possible on experience on other schemes. In a number of cases the high and low estimates reflects a lack of certainty on the scale of an individual measure, eg length of bus lanes, which will only be clarified through modelling and design work that will now be progressed. In some cases, such as temporary signals, the revenue costs will be dependent on the timescales the measure is in operation.

In addition to the measures focussing on the three movement corridors into and out of Edinburgh, a provisional sum has also been allocated to potential measures that could support other key public transport regional movements between authority areas. These will be discussed and clarified further through the sub-groups.

Given the co-ordinated regional approach, there are a number of costs such as project management costs, safety audits, CDM services and site supervision that have been assumed to be taken forward across the overall programme. If the measures are taken forward by each authority these costs may need to be increased.

A summary of costs by corridor along with associated overall costs are given in Table 8-1 below.

Table 8-1: Summary of Costs by Corridor

Corridor	Low	High
North	£280,000	£385,000
West	£363,500	£452,500
South / East	£309,500	£435,000
Park & Ride	£300,000	£350,000
Additional inter-regional priority measures (provisional sum)	£350,000	£500,000
Design development costs	£250,000	£300,000
Communications	£120,000	£150,000
Monitoring and evaluation	£100,000	£125,000
Project Management Costs	£150,000	£200,000
Road Safety Audit	£25,000	£30,000
CDM Principal Design Services	£25,000	£30,000
Site Supervision	£30,000	£40,000
<b>Total</b>	<b>£2,303,000</b>	<b>£2,997,500</b>

A summary of each individual scheme assessment is given in Table 8-2. Note that costs exclude future decommissioning and / or conversion to permanent interventions.

Table 8-2: Assessment Summary

Corridor	Scheme	Support walking, cycling and wheeling	Maximise safe and efficient use of public transport	Ensure public transport is available for those most dependent on services	To address the potential for an increase in private car use	Facilitate connected, multi-modal journeys	Cost		Deliverability				Equalities
							Low	High	Procurement	Implementation	Statutory	Other	
N	Speed limit reduction on A92 to improve bus egress from Halbeath Park & Ride onto access roundabout	0	2	1	1	1	£10,000	£15,000	✓✓	✓✓	✓✓	-	0
N	Clearer messaging regarding the use of Park & Ride	2	2	2	2	2	£35,000	£50,000	✓✓	✓✓	✓✓	-	1
N	Optimisation of A90 citybound queue relocation scheme	0	1	0	1	1	£75,000	£100,000	TBC	TBC	TBC	TBC	0
N	Citybound A90 bus lane from Cramond Brig to Barnton	0	2	2	1	1	£20,000	£30,000	✓✓	✓	✓	-	0
N	Upgrading of SCOOT, new loops installed but communications work required before commissioning	0	1	1	1	1	£30,000	£40,000	✓✓	✓✓	✓✓	-	0
N	Extension of westbound bus lane on Hillhouse Road towards Blackhall	0	2	2	1	1	£10,000	£15,000	✓✓	✓	✓	-	0
N	Optimisation of Blackhall bus priority scheme	0	2	2	1	1	£50,000	£60,000	TBC	TBC	TBC	TBC	0
N	Relocation of some/all Queensferry St bus stops to Charlotte Square	0	2	0	1	1	£50,000	£75,000	✓✓	✓	✓	-	1
W	Temporary bus lane on A89 eastbound approach to Newbridge	0	2	2	1	0	£20,000	£30,000	✓✓	✓	✓	-	0
W	Temporary bus lane on A8 westbound approach to Newbridge from airport on-slip	0	2	2	1	0	£15,000	£20,000	✓✓	✓	✓	-	0
W	Signal timing review at Newbridge roundabout	0	1	1	1	1	£120,000	£120,000	✓	TBC	✓	-	0

Corridor	Scheme	Support walking, cycling and wheeling	Maximise safe and efficient use of public transport	Ensure public transport is available for those most dependent on services	To address the potential for an increase in private car use	Facilitate connected, multi-modal journeys	Cost		Deliverability				Equalities
							Low	High	Procurement	Implementation	Statutory	Other	
W	Short Temporary Bus Lane on citybound approach to Maybury (through underpass)	0	2	2	1	0	£35,000	£50,000	TBC	✓	✓	TBC	0
W	Temporarily lengthen bus stop at Drum Brae Roundabout and increase waiting bays to improve loading capacity and reduce bus wait times. Enforce parking restrictions to limit impact of vehicles obstructing bus lanes	1	2	1	1	0	£5,000	£7,500	TBC	✓	✓	TBC	1
W	Full/part signalisation of Riccarton Mains Road roundabout at Hermiston to aid bus access and egress from Park & Ride	0	1	0	1	1	£45,000	£60,000	TBC	✓	✓	-	0
W	Full/part signalisation of the A71/B7015 junction (Jupiter Artland) to reduce delays for eastbound buses joining A71	0	1	0	1	0	£45,000	£60,000	TBC	✓	✓	-	0
W	Temporary kerb build out in bus stops e.g. North Bridge Street and South Bridge, Bathgate and in Uphall and Broxburn with enforcement of on-street parking affecting signals and key junctions	1	2	2	1	0	£45,000	£60,000	TBC	✓	✓	TBC	1
W	Use layby areas as passenger waiting areas and temporary kerbs to provide similar benefits to bus build out in Mid Calder on Bank Street, or enforcement of parking to restrict vehicles obstructing buses	1	2	2	1	0	£20,000	£25,000	TBC	✓	✓	TBC	1
W	Extended bus lane operating hours on A71 heading towards Hermiston Park & Ride site to reduce the effect of traffic in bus lanes causing delays	0	2	1	2	1	£3,500	£5,000	TBC	✓	✓	-	0

Corridor	Scheme	Support walking, cycling and wheeling	Maximise safe and efficient use of public transport	Ensure public transport is available for those most dependent on services	To address the potential for an increase in private car use	Facilitate connected, multi-modal journeys	Cost		Deliverability				Equalities
							Low	High	Procurement	Implementation	Statutory	Other	
W	A70 westbound bus lane on approach to Gillespie Crossroads to improve bus travel times	0	2	2	1	0	£10,000	£15,000	✓✓	✓	✓	-	0
S/E	Retiming of signals on Sheriffhall roundabout to give more priority to A7 and A6106 approaches	0	1	1	0	0	£20,000	£25,000	✓	✓	✓	TBC	0
S/E	Introduction of temporary traffic signals at Melville Dykes Rd/B704 Hillhead junction (Lasswade)	0	2	2	1	0	£120,000	£170,000	✓✓	✓	✓	-	0
S/E	Gilmerton crossroads – parking restrictions on approaches to junction	0	1	1	0	0	£25,000	£35,000	✓	✓	✓	-	0
S/E	Alteration of traffic signals at Gilmerton crossroads to reduce delays on A772 and increase capacity for south to east (Eskbank to RIE) right turn	0	1	1	1	0	£2,000	£3,000	TBC	✓	TBC	-	0
S/E	Camera to aid enforcement of bus lane on Ferniehill Drive westbound approach to Gilmerton crossroads	0	1	0	1	0	£30,000	£40,000	TBC	TBC	TBC	TBC	1
S/E	Changed signal timings and yellow box markings at Straiton junction to aid entry of traffic to the junction from B702 Loanhead Road	0	2	1	1	0	£5,000	£10,000	TBC	TBC	TBC	TBC	0
S/E	Introduction of continuous bus lane on A701 southbound approach to Kaimes Crossroads	0	1	1	1	0	£5,000	£10,000	✓✓	✓	✓	-	0
S/E	Introduction of bus lane on Captain's Road westbound approach to Kaimes Crossroads	0	1	1	1	0	£5,000	£10,000	✓✓	✓	✓	-	0
S/E	Newcraighall Road (A1 – Craigmillar) bus priority, possibly comprising bus lanes between	0	2	1	1	0	£45,000	£55,000	TBC	TBC	TBC	TBC	0



Corridor	Scheme	Support walking, cycling and wheeling	Maximise safe and efficient use of public transport	Ensure public transport is available for those most dependent on services	To address the potential for an increase in private car use	Facilitate connected, multi-modal journeys	Cost		Deliverability				Equalities
							Low	High	Procurement	Implementation	Statutory	Other	
	Fort Kinnaird access roundabouts and bus rerouting, and/or amendments to signals at Niddrie Mains and Craigmillar junctions to reduce delays to buses												
S/E	Extension of northbound bus lane on Duddingston Park (A6106) northbound approach to Milton Road (A1)	0	1	0	0	0	£5,000	£7,000	✓✓	✓	✓	-	0
S/E	Bus lanes on Abercorn Terrace, Portobello	0	1	0	1	0	£5,000	£10,000	TBC	TBC	TBC	TBC	0
S/E	Traffic signal timing alterations to reduce delays to buses on Dalrymple Loan approach to High St (Musselburgh)	0	1	0	0	0	£5,000	£10,000	✓✓	✓	✓	-	0
S/E	Bus lane on Linkfield Road between racecourse and Musselburgh High Street	0	1	0	0	0	£15,000	£20,000	TBC	TBC	TBC	TBC	0
S/E	Parking/waiting restrictions on Prestonpans and/or Tranent High Streets to ease congestion and reduce delays to buses	0	1	0	0	0	£7,500	£10,000	✓✓	✓	✓	-	1
S/E	Split bus stop outside Musselburgh Police Station into two stops, so increasing bus boarding capacity	0	1	0	0	0	£15,000	£20,000	✓✓	✓	✓	-	1
All	Additional Park & Ride Capacity at locations across the regions to reduce number of low occupancy vehicles travelling in to the city	1	2	2	2	2	£300,000	£350,000	TBC	TBC	TBC	TBC	1
All	Additional inter-regional priority measures (provisional sum)						£350,000	£500,000					
All	Design development costs						£250,000	£300,000					

Corridor	Scheme	Support walking, cycling and wheeling	Maximise safe and efficient use of public transport	Ensure public transport is available for those most dependent on services	To address the potential for an increase in private car use	Facilitate connected, multi-modal journeys	Cost		Deliverability				Equalities
							Low	High	Procurement	Implementation	Statutory	Other	
All	Communications						£120,000	£150,000					
All	Monitoring and evaluation						£100,000	£125,000					
All	Project Management Costs						£150,000	£200,000					
All	Road Safety Audit						£25,000	£30,000					
All	CDM Principal Design Services						£25,000	£30,000					
All	Site Supervision						£30,000	£40,000					

Appendix A. Summary Plans

## Potential North Interventions

Fife / Edinburgh

Clearer messaging regarding the use of  
Park & Ride

SHORT TERM

Reduced speed limit on A92  
adjacent to Halbeath Park & Ride to  
improve bus egress

Potential improvements to the  
passenger experience

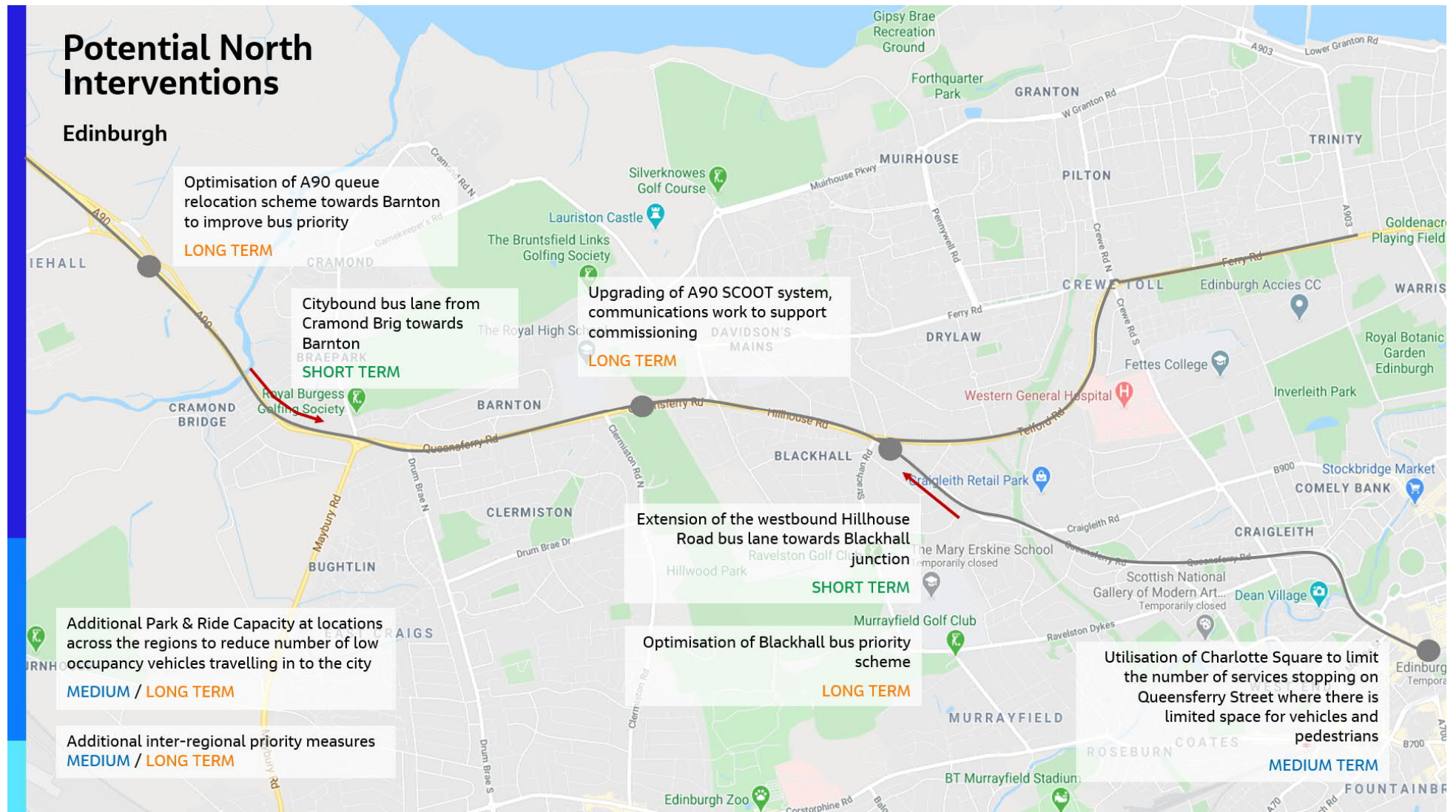
MEDIUM TERM

Potential further improvements to the  
operation of Ferrytoll Park & Ride site  
Possible improvements to the passenger  
experience

SHORT TERM

Enhanced A90 queue relocation  
scheme at Dolphington Junction to  
improve bus priority

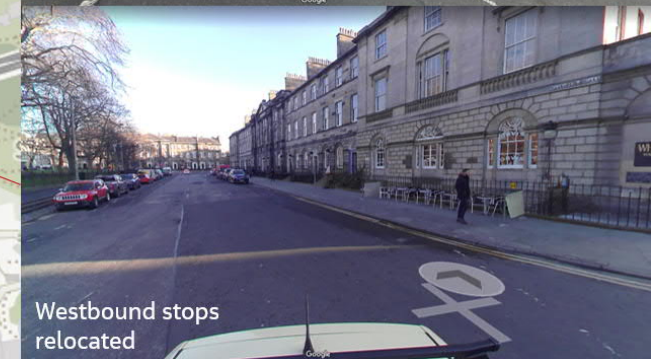
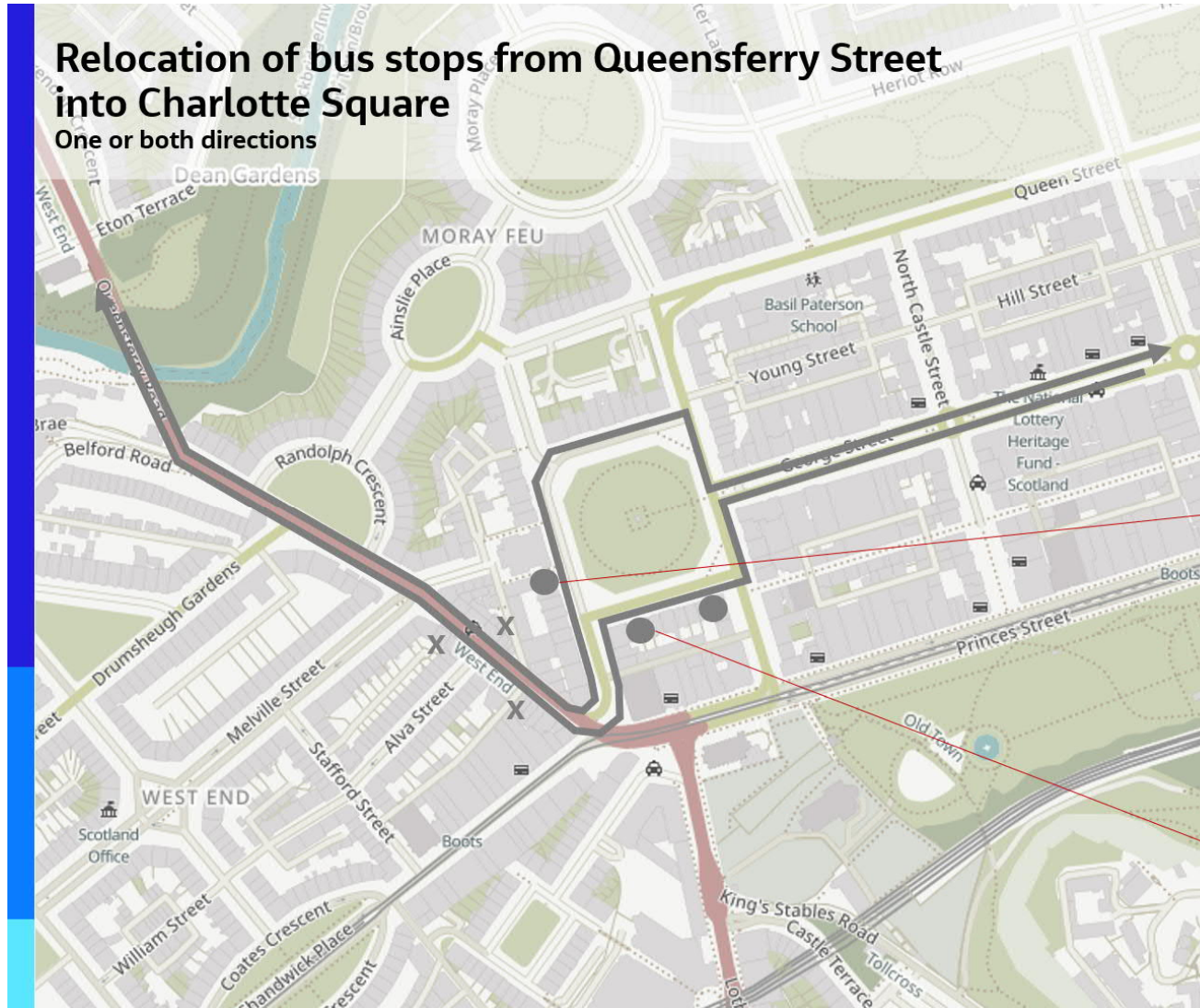
LONG TERM



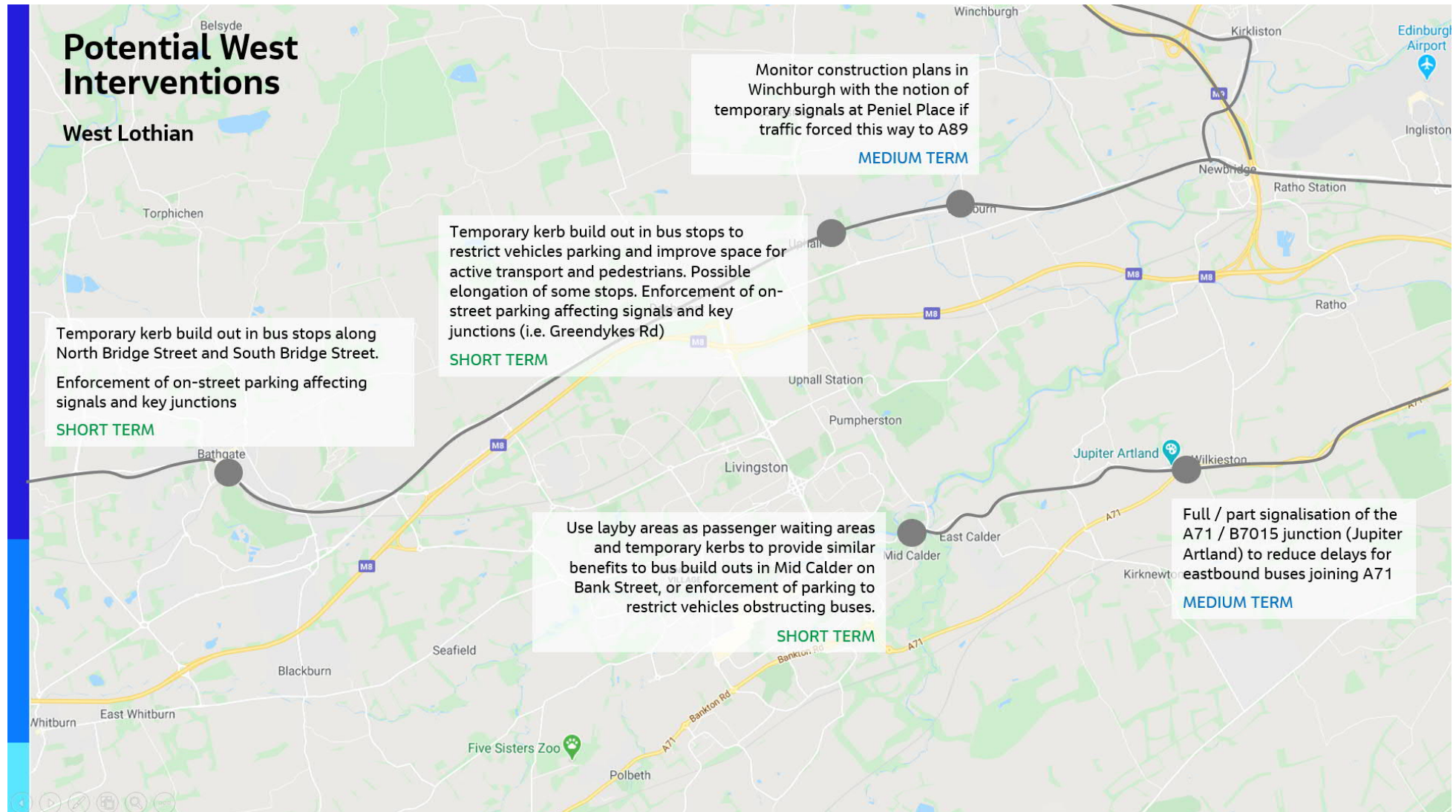


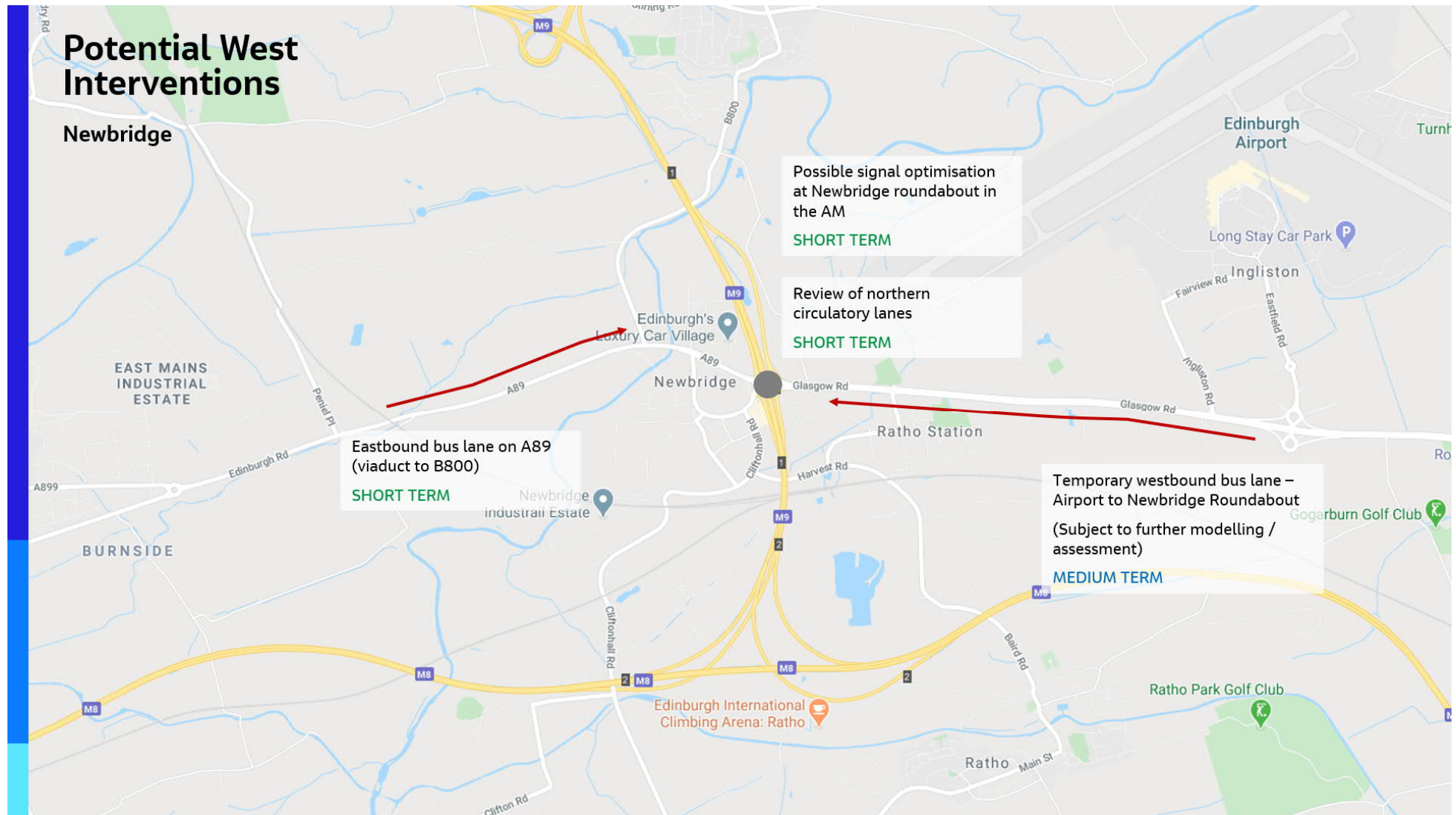
## Relocation of bus stops from Queensferry Street into Charlotte Square

One or both directions

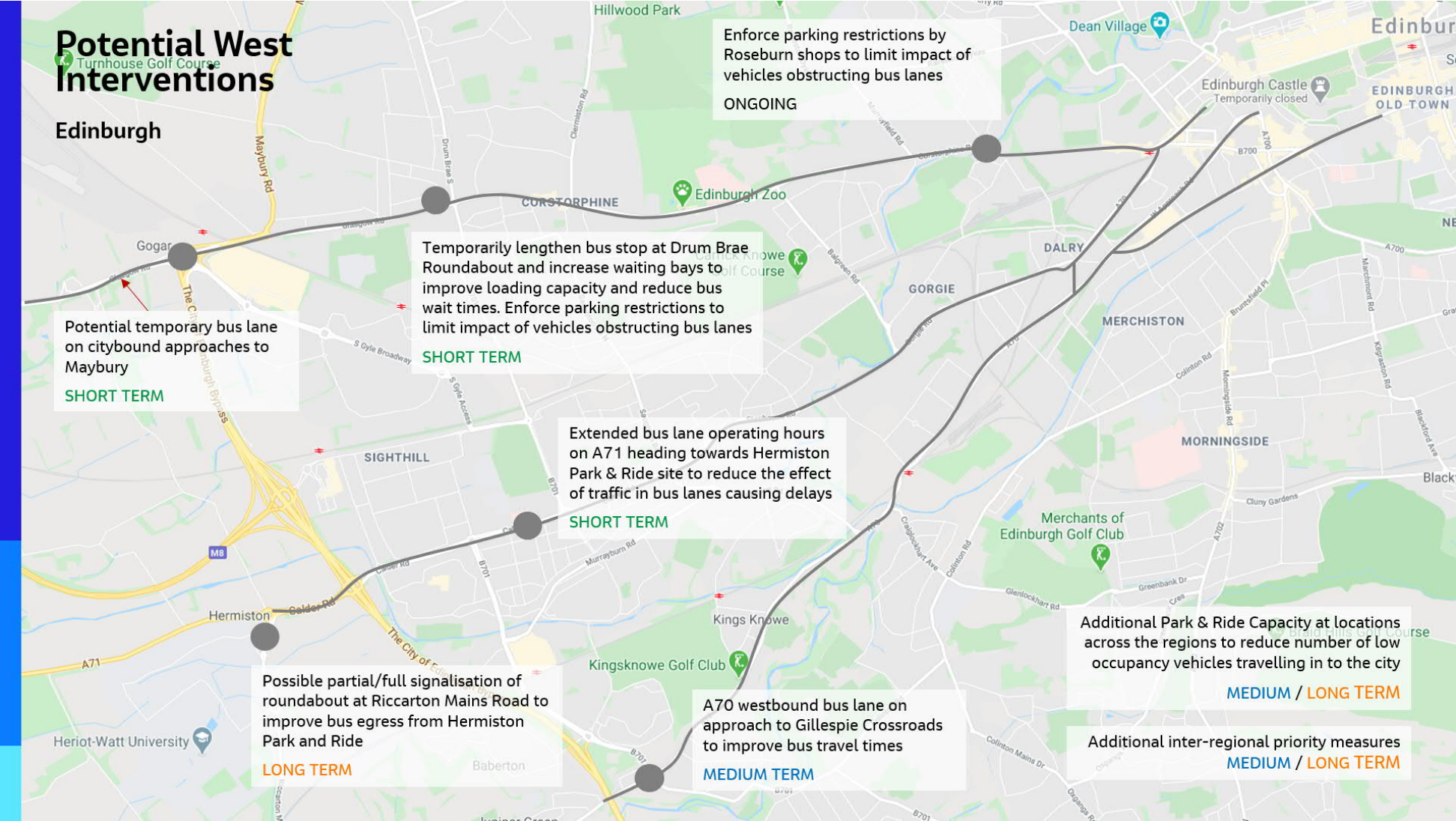


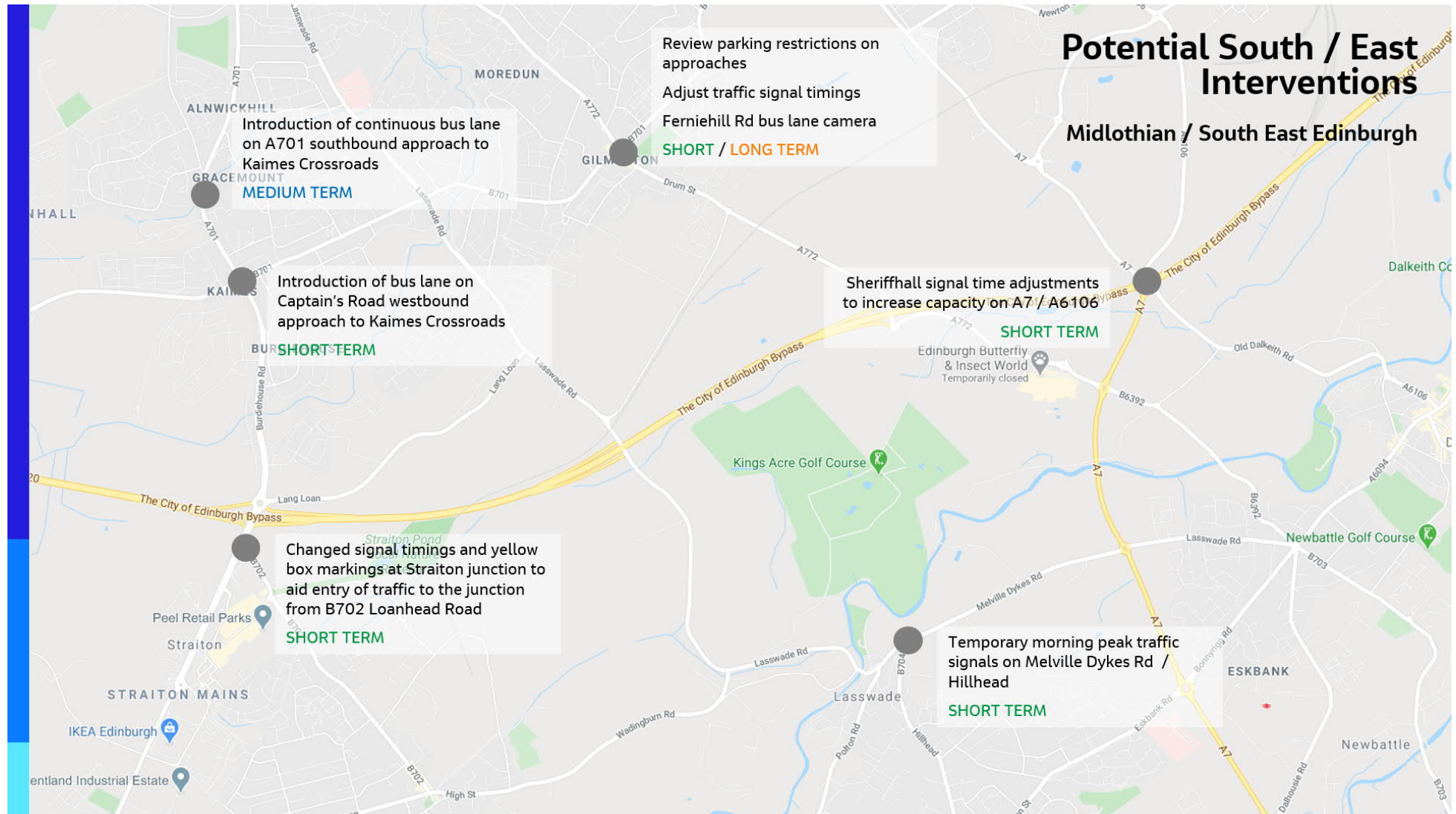








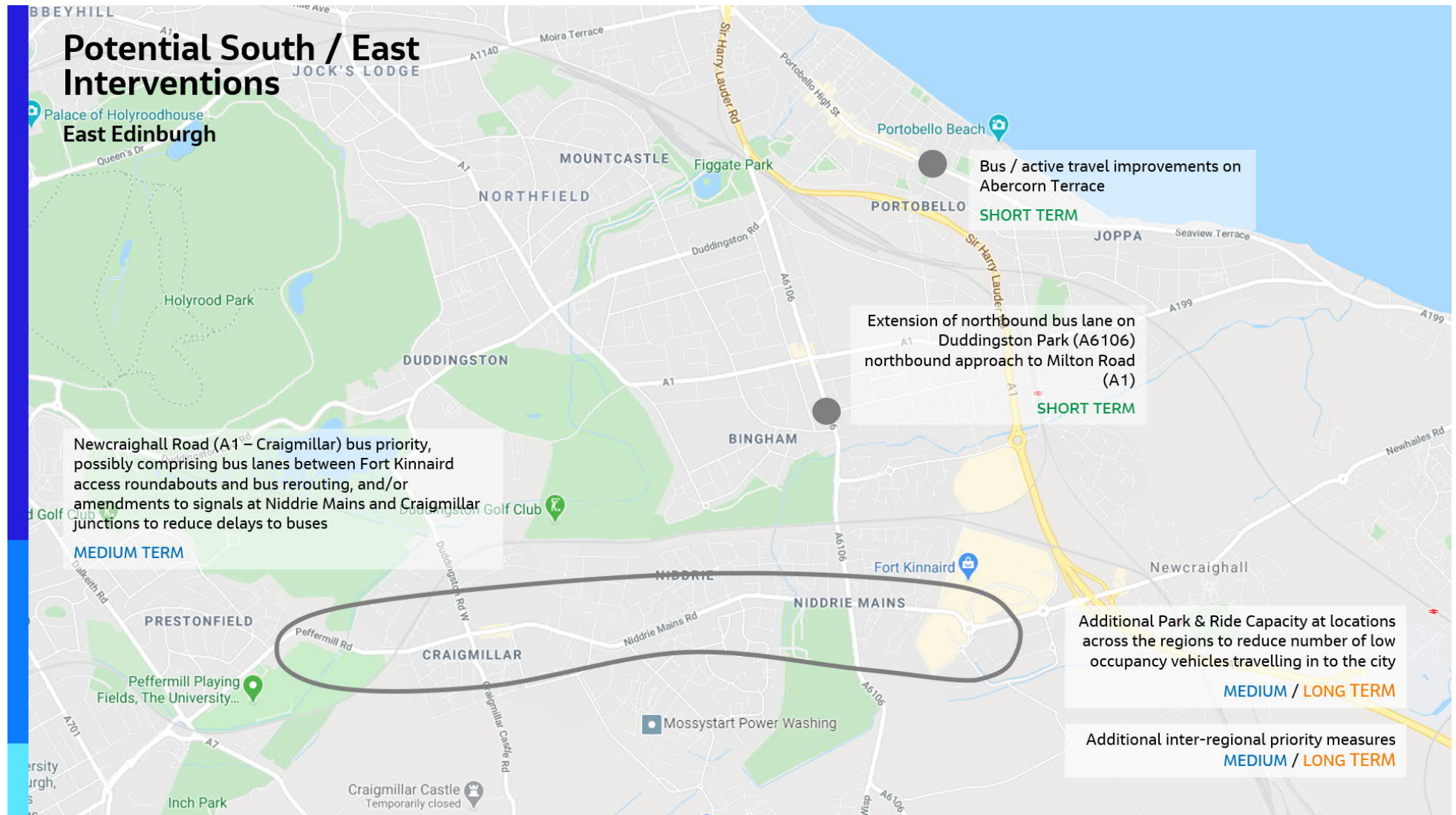


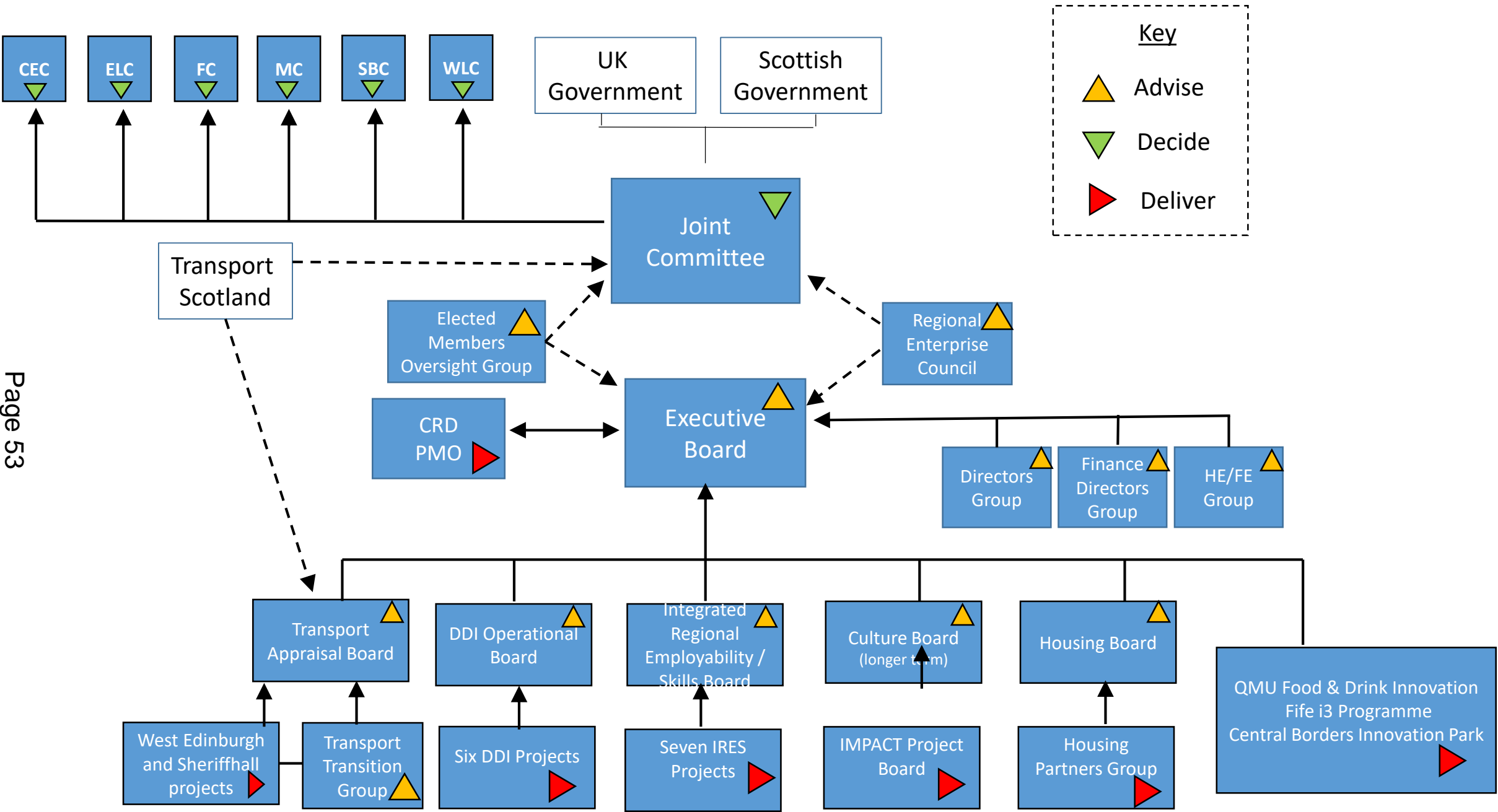




## East Lothian







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## Edinburgh and South East Scotland City Region Deal Joint Committee

**10 am, Friday 7 August 2020**

### **City Region Deal Progress Report**

**Item number 5.3**

#### **Executive Summary**

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The Edinburgh and South East Scotland City Region Deal progress report gives an indication of progress across the City Region Deal programme.

In this update, the overall status is assigned as “Amber”. There are no actions required from the Joint Committee.

#### **Monica Patterson**

Chief Officer, Edinburgh and South East Scotland City Region Deal

Contact: Andy Nichol, Programme Manager, Edinburgh and South East Scotland City Region Deal

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# Report

## City Region Deal Progress report

### 1. Recommendations

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- 1.1 To note the progress across the City Region Deal Programme.

### 2. Background

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- 2.1 This progress report is being used across the City Region Deal's governance structure to monitor progress across all aspects of the City Region Deal. It is updated and shared with Government on a weekly basis and is taken to all Board meetings. A RAG (Red, Amber, Green) scale is assigned to programmes and projects by the Programme Management Office (PMO), as well as scored for inclusive growth and partnership working.
- 2.2 Tables 1, 2 and 3 shows the guidelines that are used when determine RAG statuses and scores:

**Table 1: RAG Status Guidelines**

**T:** Status against **timeline** set out in business case/implementation plan;

**B:** Status against **budget** set out in financial plan

RAG Status	Definition - Timeline	Definition - Budget	Action Required
Green	In line with business case/implementation plan	In line with financial plan.	No management action required
Amber	Delay is considered acceptable by PMO.	Within acceptable range.	Management action is in place by senior management to address issues, and project is being closely monitored.
Red	Delay is significant.	Outwith acceptable range.	Immediate action is required by senior management and relevant Boards as appropriate to address issues. Issues must be highlighted to Government.



**Table 2: Inclusive Growth Score Guidelines**

Score	Definition
1.	Project's links with inclusive growth framework are being developed.
2.	Project's links with inclusive growth framework have been identified and are in the process of being implemented.
3.	Project's links with inclusive growth framework are being delivered and monitoring and evaluation is in place to assess impact.

**Table 3: Partnership Working Score Guidelines**

Score	Definition
1.	Links have been identified with projects in other themes/with regional partners outwith City Region Deal.
2.	Links are in the process of being established with projects in different themes/with regional partners outwith City Region Deal.
3.	Links are being exploited between this project and other themes/with regional partners outwith City Region Deal.

## 2. Main report

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- 2.1 The performance report is shown in Appendix 1. The overall status of the City Region Deal is assigned as “Amber”. There are no actions required from the Joint Committee.

## 3. Financial impact

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- 3.1 The financial summary, updated quarterly, on Page 3 of the Appendix shows that £47 million (excluding funding issued by Transport Scotland and Scottish Government Housing) has been allocated for the programme for 2020/21. In the first quarter of 2020/21 partners have drawn down approximately £5.8 million, £5.5 million for the Capital projects and the remainder for the IRES programme.
- 3.2 The overall cumulative total of Grant claimed for the Deal to date (2018 – present) is £109.8 million. This total includes the funding issued by Transport Scotland and Scottish Government Housing.
- 3.3 Scottish and UK Governments have agreed to allow the draw down monthly in arrears as opposed to quarterly for the projects that asked for the flexibility. This is a temporary measure which will commence from July's drawdown and continue until December when this will be reviewed.

## **4. Alignment with Sustainable, Inclusive Growth Ambitions**

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- 4.1 Inclusion is a key driver for the City Region Deal, and scores have been included for each project. Business cases for projects included demonstrate how they will reduce inequalities and tackle the inclusion challenges specific to the city region.
- 4.2 A Monitoring and Evaluation Framework is being developed for the programme, which will incorporate clear indicators to align with the Scottish Government's Inclusive Growth Framework. The impact on equalities, human rights and sustainability are also being incorporated into the framework. The framework is expected to be complete by August 2020 and will be reported to this Committee in September 2020.

## **5. Background reading/external references**

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- 5.1 [Edinburgh and South East Scotland City Region Deal Document](#) (August 2018)

## **6. Appendices**

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- 6.1 Edinburgh and South East Scotland City Region Deal Progress Report (August 2020)

# Edinburgh & South East Scotland City Region Deal

## Progress Report – August 2020

### Page 1: Dashboard

Overall Status Last Period	Overall Status This Period
Amber	Amber



#### Recent Achievements and Milestones

Achievement/Milestone	Date
Grant offer letter for 2020/21 received from Governments	May 20
Quarterly Performance meeting with Government	May 20
Response to COVID-19 Advisory Group on Economic Recovery	May 20

Upcoming Milestones	Target Date	RAG
Monitoring and Evaluation Framework complete, following engagement with REC, elected members and communities	August 20	Amber
2020 Annual Report Complete	August 20	Green
Regional Growth Framework complete	End 20	Green

#### Financials Summary

\*Funding issued by Transport Scotland and SG Housing not included in this total

Total CRD grant £000	CRD grant drawdown to date £000		20-21 CRD Grant allocation	20-21 Grant drawdown
600,000	109,819	18.2%	£47.00m*	£5.86m*

#### Top 3 Risks (from PMO Risk Register)

Risk	Impact	Likelihood	Severity	Resolution Plan or Mitigating Action
Covid-19 impacting the City Region Deal projects resulting in potential delays and cost increases.	4	4	16	<ul style="list-style-type: none"> <li>Regular updating of progress report and monthly financial forecasts, so that project leads can inform PMO of any issue well in advance, and PMO can raise with Government, Executive Board and Joint Committee as appropriate.</li> <li>Establish Change Management process as set out in the Monitoring and Evaluation Framework.</li> <li>Review outputs and timelines for delivery of benefits in the light of Covid-19</li> </ul>
Stakeholders outwith Governance structure (businesses, infrastructure providers/operators, third sector networks, politicians and general public) do not feel suitably engaged.	3	3	9	<ul style="list-style-type: none"> <li>Regular REC meetings and briefings established, and regional chambers of commerce, FSB, and other trade associations are contacted when appropriate</li> <li>Stakeholder mapping to ensure that key influencers are being engaged with.</li> <li>Comms group providing tools to spread positive messaging, e.g. website, key messaging documents, guest blogs, e-zines.</li> <li>Regular briefings with region's MPs, MSPs and MEPs to be established.</li> <li>Elected Member Oversight Group to be established in summer 2020.</li> </ul>
PMO productivity and wellbeing during the pandemic	3	3	9	<ul style="list-style-type: none"> <li>Converting scheduled meetings to Teams/Skype meetings.</li> <li>Team meetings are more regular than once a week.</li> <li>Equipment requested to support staff working from home.</li> <li>Team development/away day to still take place.</li> </ul>

### 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 monitoring and evaluation is in 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

### Red, Amber, Green

**T:** Status against **timeline** set out in business case/implementation plan; **B:** Status against **budget** set out in financial plan

RAG Status	Definition - Timeline	Definition - Budget	Action Required
Green	In line with business case/implementation plan	In line with financial plan.	No management action required
Amber	Delay is considered acceptable by PMO.	Within acceptable range.	Management action is in place by senior management to address issues, and project is being closely monitored.
Red	Delay is significant.	Outwith acceptable range.	Immediate action is required by senior management and relevant Boards as appropriate to address issues. Issues must be highlighted to Government.

### Inclusive Growth Score

	Definition
1.	Project's links with inclusive growth framework are being developed.
2.	Project's links with inclusive growth framework have been identified and are in the process of being implemented.
3.	Project's links with inclusive growth framework are being delivered and monitoring and evaluation is in place to assess impact.

### Partnership Working Score

	Definition
1.	Links have been identified with projects in other themes/with regional partners outwith City Region Deal.
2.	Links are being developed with projects in different themes/with regional partners outwith City Region Deal.
3.	Links are being exploited between this project and other themes/with regional partners outwith City Region Deal.

Overall Total			Project Name	2020 - 2021					Comments
Total Budget £000	CRD Grant Total £000	CRD Grant Claimed To Date £000		Grant Allocation £000	CRD Grant claimed (Q1) £000	Spend to date (Apr-Jun) £000	Forecast outturn £000	Forecast vs Allocation variance £000	
101,047	32,545	32,545	Bayes Centre	0	0	0	0	0	Construction start delayed by 2 months initially due to Covid-19
22,469	22,469	1,232	National Robotarium	13,563	232	232	4,894	-8,669	
189,297	57,920	35,729	Edinburgh Futures Institute	14,067	1,509	1,509	14,067	0	
190,620	79,595	20,841	Edinburgh International Data Facility (WCDI)	3,641	3,418	3,418	3,641	0	
84,610	49,205	1,697	Usher Institute	2,889	194	194	2,889	0	
42,596	17,366	0	Easter Bush	0	0	0	0	0	Delay with Full Business Case due to Covid-19
30,990	10,900	0	Easter Bush Link Road - A701 & A702	327	0	0	327	0	
52,003	30,000	0	Food & Drink Innovation Hub	988	0	0	500	-488	
48,225	35,000	1,621	Fife Industrial Innovation Investment	2,840	189	189	2,840	0	Variance due to COVID-19 and the inability to commence construction with the Class 4 building
29,950	15,000	116	Scottish Borders - Innovation Park	3,500	36	36	1,000	-2,500	
<b>791,117</b>	<b>350,000</b>	<b>93,782</b>	<b>Total Research, development and innovation</b>	<b>41,815</b>	<b>5,578</b>	<b>5,578</b>	<b>30,158</b>	<b>-11,657</b>	
25,000	25,000	1,346	Integrated Regional Employability & Skills	3,000	289	289	2,976	-24	SG to fund up to £120m to support improvements to the A720 City Bypass for the grade separation of Sheriffhall Roundabout via Transport Scotland
<b>25,000</b>	<b>25,000</b>	<b>1,346</b>	<b>Total IRES</b>	<b>3,000</b>	<b>289</b>	<b>289</b>	<b>2,976</b>	<b>-24</b>	
120,000	120,000	3,691	Sheriffhall Roundabout*	0	0	0	0	0	
36,000	20,000	0	West Edinburgh Public Transport Infrastructure	1,183	0	0	240	-943	Judicial Review set aside following mediation. To be redesigned and a new planning application submitted.
<b>156,000</b>	<b>140,000</b>	<b>3,691</b>	<b>Total Transport</b>	<b>1,183</b>	<b>0</b>	<b>0</b>	<b>240</b>	<b>-943</b>	
44,990	20,000	0	IMPACT/Dunard Concert Hall	1,000	0	0	1,000	0	
<b>44,990</b>	<b>20,000</b>	<b>0</b>	<b>Total Culture</b>	<b>1,000</b>	<b>0</b>	<b>0</b>	<b>1,000</b>	<b>0</b>	Separate grant letter from SG Separate letters from SG for individual proposals. The allocation figure is based on the financial plan
263,000	15,000	11,000	Housing Company (Edinburgh Living) **	5,000	748	748	5,000	0	
50,000	50,000	0	Housing Infrastructure Fund**	12,500	0	0	0	-12,500	
<b>313,000</b>	<b>65,000</b>	<b>11,000</b>	<b>Total Housing</b>	<b>17,500</b>	<b>748</b>	<b>748</b>	<b>5,000</b>	<b>-12,500</b>	Shortfall of utilising grant funding
<b>1,330,107</b>	<b>600,000</b>	<b>109,819</b>	<b>Total Programme</b>	<b>64,498</b>	<b>6,614</b>	<b>6,614</b>	<b>39,374</b>	<b>-25,124</b>	

Note: Figures in red represent a forecast underspend against the Grant allocation

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

**Page 4: Research, Development and Innovation**  
**Theme**  
**Data-Driven Innovation**

Project	Stage	Last Milestone	Next Milestone	T	B	IG	P W	Comments
Bayes Centre	Deliver	Sep 18: Opening	N/A	G	G	2	2	Building currently closed due to COVID-19 outbreak. Staff working from home where possible. Planning for re-opening is underway.
National Robotarium	Implement	June 2020: Initial base build Stage 4 design is complete.	Sep 2020: Construction to commence (under review based on Supply Chain impact and Govt Guidelines)	A	G	1	1	Construction start delayed by 2 months initially due to Covid-19. Completion date now provisionally scheduled for Feb 2020. Spending profile will be impacted as a result.
Edinburgh Future Institute	Implement	Start on site	Apr 22: Complete construction	A	G	2	2	A revised handover agreed for Spring 2022. Contractor currently offsite due to COVID-19 outbreak, and on-site working arrangements will change going forward due to social distancing guidelines. Operational staff working from home where possible. Currently assessing further impact on delivery of EFI building and programmes.
Usher Institute	Implement	Sep 19: Approve FBC	Sep 20: Planning application achieved	A	G	1	2	Large number of staff (including SRO) redeployed to respond to COVID-19 outbreak. End user occupation is now expected in August 2023.
Easter Bush	Define	Aug 18: Deal agreement	Mar 21: FBC approved by Joint Committee (following TAB approval)	A	G	1	1	The September 2020 milestone will be missed, and will be re-scheduled to December 2020 in order that ongoing road transport challenges can be successfully resolved.
Edinburgh International Data Facility [previously WCDI]	Implement	Start on site	Jul 20: Complete construction	A	G	2	2	Procurement of large equipment is completed and supplier (HPE) appointed. Building occupation is expected to occur by calendar year-end.

T: Timeline; B: Budget; IG: Inclusive Growth score; PW: Partnership Working score (see p.2 for definitions)

**Page 5: Research, Development and Innovation  
Theme  
Edinburgh Innovation Park (QMU Food and  
Drink)**

Project	Stage	Last Milestone	Next Milestone	T	B	IG	PW	Comments
Edinburgh Innovation Park (QMU Food and Drink Hub)	Define	Land Transfers completed June 20	<p>FBC to be submitted December 20</p> <p>Contract for junction works and tender period July – September 20</p> <p>Commencement of Junction Works Nov 20</p>	A	A	1	2	<p>The Full Business case has made considerable progress over the past 5/6 months. However, Covid- 19 has inevitably presented a delay to this together with the requirement for the partnership to review all aspects of the project. From a delivery perspective it is fundamental that the review revisits the impact on the funding and costs modelling and the existing commercial construct of the partnership. This will also require a review of the legal and governance structures that facilitate that. ELC/QMU are committed to this project and are working closely together to implement this review with a view to submitting the FBC to the JC on December 20.</p> <p>The intention is to commence construction of the Junction works in Nov 20 – albeit there this will be subject to any response from the tenders and a better understanding as to whether Covid-19 will impact that timeline.</p>

**Page 6: Research, Development and Innovation Theme**  
**Projects in Fife and Scottish Borders**

Project	Stage	Last Milestone	Next Milestone	T	B	IG	PW	Comments
Central Borders Innovation Park	Implement	Progressing with building design for Phase 2.	Start of site works for Phases 1 and 2 will commence in mid-July.	A	A	1	1	Site works for Phases 1 and 2 were scheduled for the start of March, but were put on hold because of the COVID-19 crisis.
Fife Industrial Innovation Investment (FI3P)	Implement	Planning Permission for Project 3 (Dunnikier); Acquisition of 24 Ridge Way, Dalgety Bay completed.	Milestones to be reviewed once there is more certainty around COVID-19 re-start	A	A	1	2	<p>Time and budget both remain at amber, with limited certainty around future costs and timescales due to COVID 19 disruption.</p> <p>Strategic drainage issues at Fife Interchange North have delayed acquisition. – discussion with Scottish Water to develop a solution is ongoing.</p> <p>Construction at Flemington Rd, Glenrothes has re-commenced, with reduced workforce and new measures in place.</p> <p>Project 3 (Dunnikier) is out to tender with tender reports likely in August. Timetable for tender returns extended at request of contractors due to COVID 19.</p>



Project	Stage	Last Milestone	Next Milestone	T	B	IG	PW	Comments
IRES Programme	Implement/Deliver	Reflection Workshop established key priorities for 2020. Programme Connector recruited.	Recruit final PMO role to ensure staffing levels are retained to drive forward. Projects adapting pro-actively to the Covid-19.	A	G	2	2	<ul style="list-style-type: none"> <li>IRES Programme Connector starts end of August 2020.</li> <li>Communications and marketing – to be developed and rolled out once branding pack is available.</li> <li>Offer letters issued in line with Grant Offer to CEC from SG.</li> <li>Covid-19 impact and implications being considered.</li> </ul>
Integrated knowledge systems	Implement/Deliver	Co-production and survey progression Covid-19 Job Support portal established. Ekosgen baseline mapping report finalised.	Co-production report finalised.  Client profiles report finalised.  Pilot projects identified.	A	G	3	3	<ul style="list-style-type: none"> <li>Initial Co-production with frontline workers completed. Report to be finalised and circulated.</li> <li>Data from Covid-19 Job Support portal starting to be used for Health &amp; Social Care report. 800 registrations to date.</li> <li>School platform for work experience being explored with IEE and links to Youth Recovery Response led by DYW</li> <li>Next meeting in August to review Covid impact. Ekosgen baseline mapping report finalised / implemented.</li> </ul>
Labour market analysis and evaluation	Deliver	The Implementation Plan for 2020-21 is on schedule.	Progressing toolkit to develop an enhanced resource available initially on the SDS corporate website, but with links to partners' websites/service offers.	G	A	2	1	<ul style="list-style-type: none"> <li>Ekosgen presentation on Health &amp; Social Care Skills Gateway research report at IRES Board 9 June.</li> <li>FE/HE partners pulled together Health &amp; Social Care Skills Gateway paper drawing on recommendations from report.</li> <li>Hall Aitken has submitted their best practice use of LMI report – now circulated round IRES PMO.</li> <li>Initial thinking on Regional Intelligence Hub for ESESCR – proposal to use consultancy report to develop further.</li> <li>Labour market toolkit workshops held and outline scope of work completed. work will be completed at no cost</li> </ul>
Integrated employer engagement	Implement	Analysis of H&SC employers across 6 LAs. Job application / info pack produced for LA careers. Employer Engagement network map and LA job board map over 6 LAs complete.	Partnership meet with MLC to take forward Joinery academy proposal.  IEE embed into WLC Employer Engagement partnership network.  Develop CB offer for Granton Waterfront Dev in conjunction with SFT.	A	G	2	2	<ul style="list-style-type: none"> <li>Covid19 portal at 13 weeks stage. Over 13,000 unique visitors, c.63,000 views, 615 vacancies, 155+ employers.</li> <li>Phase 3 HMRC recruitment to launch in July (150 jobs).</li> <li>Continue Retail Rapid Response (RRR) at Fort Kinnaird Recruitment Skills Centre. Supporting SDS with partnership event (Aug 20) showcasing C19, RRR &amp; Community benefits (CB) opportunities. Work ongoing with The Data Lab, Granton Waterfront, regional social housing board, University of Edinburgh to codesign CB. Engaged with all 4 DYW teams across ESES.</li> <li>Next meeting Sept/Oct 20. Risk: C19 impacted employers general recruitment practices; offer being adjusted.</li> </ul>

Project	Stage	Last Milestone	Next Milestone	T	B	IG	PW	Comments
Intensive family support	Implement	Local Assessment panels agreed delivery partners in Fife, ELC, ML & E; and project board ratified. WL & SB invited to make delivery proposals.	Funding agreements signed. Staged delivery starts from 1 <sup>st</sup> July. WL & SB proposals to Project Board over summer.	G	G	2	2	<ul style="list-style-type: none"> <li>Procurement process complete with delivery partners now agreed in each area, following the project board meeting on 22<sup>nd</sup> June to ratify decisions of local assessment panels. Scottish Borders and West Lothian issued with proposal forms to ensure parity with grants process.</li> <li>Developing and negotiating funding agreements with successful bidders to ensure timeous delivery of service.</li> <li>Grant materials and M&amp;E framework have been devised.</li> <li>Network of steering groups &amp; community of practice being set up.</li> </ul>
Housing and Construction Infrastructure (HCI) Skills Gateway	Implement	Establishment of FE college courses but with potential delays to coming year due to Covid19. Work on Home demonstrator project; and pathway scoping.	Increased online animations. Further links with local companies. Promotion of CRD places and selecting applicants	A	G	2	2	<ul style="list-style-type: none"> <li>Prof Smith (now UoE) working closely with Prof Hairstans (ENU) to support the transition and reduce associated risk.</li> <li>Prof Hairstans has arranged for dedicated support from Kirsty Connell-Skinner (KCS) of the ENU Development team to assist with Scholarship promotion.</li> <li>KCS created an internal road map engaging relevant departments (Admissions, Marketing, Student Futures and Research, Innovations and Enterprise Office) to facilitate strategic promotion of Scholarship opportunities.</li> <li>Several impacts of social distancing and travel restrictions e.g. Built Environment Exchange (BeX) - making adaptations where possible.</li> </ul>
Data-Driven Innovation (DDI) Skills Gateway	Implement	Programme adaptations in response to C19. Course development and Quality Assurance activities in Colleges. Extensive industry research on in-work training.	Alternative approach to Knowledge SharingSchools. Content for Data science and Nursing at ENU for September 2020 cohorts.	A	G	1	2	<ul style="list-style-type: none"> <li>Team engaging with wide range of external stakeholders – including undertaking a survey of around 70 regional businesses to better understand their skills needs.</li> <li>Some reprioritisation of actions and spend to allow team to better respond to impacts of Covid-19 pandemic and its knock-on effects, particularly in relation to the schools programme.</li> <li>Scoping for piloting Data Skills credits scheme for target groups.</li> <li>Planning for inclusion of 'Big Data' in selected Higher National programmes and Data Science units across FE programmes.</li> </ul>
Workforce mobility (Concessionary travel)	Implement	Grant Agreement and Project Implementation Plan agreed. Project manager successful candidate identified.	Project Manager to start at end of July 2020.	A	G	2	2	<ul style="list-style-type: none"> <li>Project Manager interviews on 29<sup>th</sup> June. Successful candidate to start at end of July.</li> <li>Project Implementation Plan agreed. SESTRAN involvement, and two Project Delivery Group meetings have taken place with good representation from partners and positive discussions. Project is particularly important in light of Covid-19 impact on public transport, which will be reflected in work going forward.</li> </ul>

Project	Stage	Last Milestone	Next Milestone	T	B	IG	PW	Comments
A720 (Sheriffhall)  Page 67	Define	Consultation on draft orders closed 31 <sup>st</sup> January 2020. Transport Scotland is currently considering the responses.	Further engagement between Transport Scotland and partners to review scheme in relation to active travel and public transport provision whilst not creating additional impacts for local landowners, residents and businesses.	G	G	1	1	<p>Joint Committee wrote to the Cabinet Secretary for Finance following the 6 March 2020 Joint Committee meeting to seek reassurance of the Joint Committee's decision-making powers over the project's design and delivery. Response received on 15 May 2020.</p> <p>The response from the Cabinet Secretary for Finance states that there will be a focus on whether it is feasible and desirable to further improve active travel and public transport provision. It also confirms that the direct decision-making related to the project remains subject to the established governance structures of both Transport Scotland and City Region Deal.</p> <p>Further to Transport Scotland writing to TAB members via the PMO on 16 June 2020 to ask for an indication of possible dates to assist with arrangements for a technical workshop to gather input and feedback on the work carried out to date, e-mail sent to TAB members on 30 June by PMO and feedback asked for by 3 July 2020.</p>
West Edinburgh	Define	Appointment of Transportation and Engineering Consultants Jacobs to deliver the next stage of the project.	Permission being sought from SG/TS for drawdown on advance/preparatory business case costs to be shared proportionately between the funders (TS/CEC).	G	G	1	2	<p>£36m of funding identified (£20m from SG to support public transport infrastructure improvements) and £16m from City of Edinburgh Council plus contributions from the private sector and developers (TBC). In total, the WETA package amounts to £108m (inc. optimism bias) to take forward cycling, public transport and road measures.</p> <p>In 2019 CEC developed a model to further prioritise the measures set out in the 2016 report with an emphasis on public transport and active travel prioritisation.</p> <p>At its meeting on 6 December 2019, the Joint Committee approved the appointment of Jacobs to execute Stage 1 of the project delivery plan. In broad terms, Stage 1 of the plan is to undertake further feasibility of proposals, develop outline designs, refine the current business case and update the West Edinburgh programme delivery plan accordingly (including financial profiles).</p>

Project	Stage	Last Milestone	Next Milestone	T	B	IG	PW	Comments
Dunard Centre	Define	Project taken off pause following agreement to dispose of judicial review against CEC.	Submission of amended planning application	A	A	2	2	Judicial Review set aside following successful mediation. Concert hall to be redesigned and an amended planning application to be submitted.

T: Timeline; B: Budget; IG: Inclusive Growth score; PW: Partnership Working score (see p.2 for definitions)

Project	Stage	Last Milestone	Next Milestone	T	B	IG	PW	Comments
Affordable housing	Deliver & Define	Collate regional SHIP including 19/20 figures.	SHIP leads meeting to explore collaboration opportunities.	A	A	1	2	<ul style="list-style-type: none"> <li>• 2019/20 maintaining record levels of delivery with 2018/19 in terms of number of approvals, site starts, completions and spend</li> <li>• SE region SHIP 5 year pipeline of 13,723 affordable home completions</li> </ul>
Strategic sites	Implement & Define	Strategic sites Leads meeting 12 May.	Dunfermline OBC – Sep 2020.	A	A	1	1	<ul style="list-style-type: none"> <li>• Business cases for sites are at different stages of development.</li> <li>• Scope of woks to be considered at 26 May Regional Housing Board to progress a economic impact assessment.</li> </ul>
Innovation & skills	Implement	Innovate UK response on 17 Jan. Unsuccessful.	Explore alternative support and/or funding opportunities.	A	A	1	2	
Infrastructure, funding and land assembly	Define	Feb Board to agree scope and progress workstream	Develop proposal for regional infrastructure forum.	A	A	1	1	<ul style="list-style-type: none"> <li>• Forum proposal to be developed for consideration by CRD partners ahead of a initial meeting to test appetite of partners and infrastructure providers.</li> </ul>
Housing company	Deliver	Homes under construction across various sites.	Ongoing Delivery.	G	G	1	2	<ul style="list-style-type: none"> <li>• The City of Edinburgh Council and Scottish Futures Trust will continue to share learning and financial models with partners, to explore regional delivery models.</li> </ul>

T: Timeline; B: Budget; IG: Inclusive Growth score; PW: Partnership Working score (see p.2 for definitions)

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## Edinburgh and South East Scotland City Region Deal Joint Committee

**10 am, Friday 7 August 2020**

### **The City of Edinburgh Council Internal Audit: ESES City Region Deal Funding Processes – Accountable Body**

**Item number 5.4**

#### **Executive Summary**

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The City of Edinburgh Council (CEC) as Lead Authority acts as the Accountable Body for Edinburgh and South East Scotland City Region Deal.

CEC invited internal audit to review the ESES City Region Deal funding processes to provide assurance from the outset that the Accountable Body's processes and operations are robust.

The review of grant claims and payments did not identify any errors, and review of operational controls including those in place to prevent and detect fraud and manage any potential conflicts of interest were deemed sufficient.

Internal Audit have concluded and reported (Appendix 1) that the Accountable Body's processes are effective. They noted that the control environment and governance and risk management frameworks have been adequately designed and are operating effectively, providing assurance that risks are being effectively managed. The report was approved at CEC's Governance, Risk and Best Value Committee meeting in July.

#### **Hugh Dunn**

CFO, Accountable Body/Head of Finance, City of Edinburgh Council

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## The City of Edinburgh Council Internal Audit: ESES City Region Deal Funding Processes – Accountable Body

### 1. Recommendations

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Committee is asked to note:

- 1.1 That CEC's Internal Audit have determined the Accountable Body's processes to be 'effective' noting that the *"control environment and governance and risk management frameworks have been adequately designed and are operating effectively, providing assurance that risks are being effectively managed, and the Council's objectives should be achieved."*
- 1.2 The Internal Audit findings were approved by CEC's Governance, Risk and Best Value Committee meeting on Tuesday 7 July.

### 2. Background

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- 2.1 The Edinburgh and South East Scotland City Region Deal signed by regional partners, UK Government and Scottish Government on 7 August 2018, committed partners to the objectives of accelerating economic and inclusive growth.
- 2.2 Over £1.3 billion is being invested into the city region over 15 years, with the UK and Scottish Governments investing a combined total of £600m, and contributions of £730m from regional partners (the City of Edinburgh; East Lothian; Fife; Midlothian; Scottish Borders; and West Lothian Councils, Heriot-Watt University, Queen Margaret University, and the University of Edinburgh).
- 2.3 The City of Edinburgh Council acts as the Accountable Body for City Region Deal finances and is responsible for overseeing financial stewardship of the programme. Grant funding from Government is channelled through the City of Edinburgh Council.
- 2.4 Funding for the Sheriffhall Roundabout improvements project is managed and delivered by Transport Scotland. Funding for the Housing Infrastructure Fund and Edinburgh Living is issued directly by the Scottish Government's Housing Department. Therefore, funding for these projects will not be administered through the Accountable Body.



- 2.5 Funding from both Governments is in the form of capital and revenue funding. The Accountable Body puts in place individual agreements with each regional partner to make sure that the grant allocations for each project are fully compliant with the purpose of grant set out in the terms and conditions of the grant offer signed between the Scottish Government and the Accountable Body.

### 3. Main report

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- 3.1 The objective of the review was to assess the adequacy of design and operating effectiveness of the key controls established to ensure the City of Edinburgh Council effectively manages its responsibilities as Accountable Body for the City Region Deal.
- 3.2 Internal Audit reviewed of a sample of City Region Deal grant claims and payments processed between March 2019 and January 2020 and confirmed that these were processed and verified in line with all applicable grant requirements.
- 3.3 The review of grant claims and payments did not identify any errors, and review of operational controls including those in place to prevent and detect fraud and manage any potential conflicts of interest were deemed sufficient.
- 3.4 The following areas of good practice were noted:
- Grant claims made by partner organisations and the Council are effectively validated to ensure that only claims that meet the terms of grant offer letters are processed.
  - Funding requests are sent to the Scottish Government on time with adequate supporting documentation included to provide the Scottish Government with assurance on the validity and accuracy of claims.
  - Payments are approved at an appropriate senior level in line with the Council's financial delegated authorities and paid out to partner organisations in a timely manner following receipt of grant funding from the Scottish Government.
  - Grant offer letters are reviewed and adjusted with assistance from the Council's Legal division to include appropriate clauses prior to partner organisations signing, providing assurance that the Council is not exposed to unnecessary commercial and legal risks.
  - A reporting timetable is in place to ensure complete, accurate and timely submission of regular reporting to the Scottish Government and relevant City Region Deal Committees as required.
- 3.5 Two findings were reported, one medium and the other deemed low (1) Operating procedures, roles and responsibilities and (2) Information governance – data processing and storage.
- 3.6 *Operating procedures, roles and responsibilities* - this essentially relates to a key person dependency. This is somewhat inevitable given there is a sole dedicated accountant undertaking the Accountable Body duties. The recommendation is to fully document procedures and produce detailed desk instructions/procedural notes to

mitigate risks. This is a sensible measure and will be addressed to strengthen procedures.

- 3.7 *Information governance – data processing and storage* - The Council collects, and stores information required for processing and validating grant claims from City Region Deal partners. An assessment of General Data Protection Regulation (GDPR), recommendation is for Finance to engage with the Information Governance Unit to establish whether a further Data Protection Impact Assessment (DPIA) is required to be completed.
- 3.8 Management actions have been agreed for the two findings. Appropriate implementation dates have also been set to allow sufficient time to get the recommendations embedded and completed.
- 3.9 Management action – (1) *Operating procedures, roles and responsibilities*. The first phase will be the drafting and approval of a set of procedures and appropriate documentation. These procedures will then be formally executed, and this implementation will be monitored. Implementation date of October 2021
- 3.10 Management action – (2) *Information governance – data processing and storage* - DPIA. Finance have contacted the Council's Information Governance Unit. If required, Finance will complete a DPIA and undertake any follow-up actions necessary. Implementation date of June 2021.

## **4. Financial impact**

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- 4.1 There is no financial impact associated with this report.

## **5. Equalities impact**

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- 5.1 There are no equalities impact considerations associated with this report.

## **6. Background reading/external references**

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- 6.1 [Edinburgh and South East Scotland City Region Deal Document, August 2018](#)

## **7. Appendices**

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- 7.1 Internal Audit Report – ESES City Region Deal Funding processes

# ***The City of Edinburgh Council***

## **Internal Audit**

### **City Region Deal Funding Processes**

Final Report

4 June 2020

CE1903

**Effective**

The control environment and governance and risk management frameworks have been adequately designed and are operating effectively, providing assurance that risks are being effectively managed, and the Council's objectives should be achieved.

# Contents

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This internal audit review is conducted for the City of Edinburgh Council under the auspices of the 2019/20 internal audit plan approved by the Governance, Risk and Best Value Committee in August 2019. The review is designed to help the City of Edinburgh Council assess and refine its internal control environment. It is not designed or intended to be suitable for any other purpose and should not be relied upon for any other purpose. The City of Edinburgh Council accepts no responsibility for any such reliance and disclaims all liability in relation thereto.

The internal audit work and reporting has been performed in line with the requirements of the Public Sector Internal Audit Standards (PSIAS) and as a result is not designed or intended to comply with any other auditing standards.

Although there is a number of specific recommendations included in this report to strengthen internal control, it is management's responsibility to design, implement and maintain an effective control framework, and for the prevention and detection of irregularities and fraud. This is an essential part of the efficient management of the City of Edinburgh Council. Communication of the issues and weaknesses arising from this audit does not absolve management of this responsibility. High and Critical risk findings will be raised with senior management and elected members as appropriate.

# 1. Background and Scope

## Background

The [Edinburgh and South-East Scotland City Region Deal](#) (the City Region Deal), signed on 7 August 2018, sets out a vision to deliver a number of transformational programmes and projects across Innovation, Skills, Transport, Culture and Housing themes that will deliver a step-change in inclusive growth to benefit the city region, Scotland and the United Kingdom.

Over £1.3 billion is being invested into the city region over 15 years, with the UK and Scottish Governments investing a combined total of £600m, and contributions of £730m from regional partners (the City of Edinburgh; East Lothian; Fife; Midlothian; Scottish Borders; and West Lothian Councils, Heriot-Watt University, Queen Margaret University, and the University of Edinburgh).

In line with [Section 57 of the Local Government \(Scotland\) Act 1973](#), the Council has established a Joint Committee with representatives from East Lothian, Fife, Midlothian, West Lothian and Scottish Borders Council's to oversee governance arrangements for the City Region Deal.

Grant funding totalling £41.3m was drawn down in 2018/19 for the first projects to be approved. As at quarter 3 of 2019/20; £25.4m has so far been drawn down from the £50.73m 2019/20 grant allocation.

Under the terms of the June 2018 City Region Deal Financial Agreement the Council, as Accountable Body, is responsible for overseeing financial stewardship of the programme and providing a comprehensive view of the programme's finances to the Scottish Government (SG) and the City Region Deal partners over the life of the deal. This involves receiving funds from the SG and distributing them to the regional partners for each approved City Region Deal project.

Funding for the Sheriffhall Roundabout improvements project is managed and delivered by Transport Scotland. However, the project delivery progress and associated financial spend will still require to be submitted to the Council and reported as part of the total City Region Deal.

Funding for the Housing Infrastructure Fund and Edinburgh Living is issued directly by the Scottish Government's Housing Department. There is a separate SG Grant letter for Edinburgh Living in place, and it is envisaged that the Housing Infrastructure Fund will be similar with a separate letter for each individual proposal. Therefore, funding for these projects will not be administered through the Accountable Body.

Governance and accountability for the Winchburgh risk sharing guarantee will be in accordance with the tripartite agreement signed by the Scottish Government, West Lothian Council and the lead developer at Winchburgh.

Management of City Region Deal finances should follow the financial protocols agreed with the Governments, including the [Scottish Public Finance Manual](#), the [Financial Reporting Manual](#) and [Scottish Government Procurement Strategy](#), and any financial processes specific to the City Region Deal, including the Council's internal processes where required.

The Council has set up a dedicated Project Management Office to ensure that it works collaboratively with all regional partners. The key responsibilities of the Programme Management Office are:

- providing secretariat support to the Joint Committee and other forums supporting the City Region Deal;
- coordination and management of the funding process including financial reporting; profiling and drawdown and actuals management;
- monitoring income and expenditure performance against project delivery profiles;

- capturing the added value across City Region Deal activity and helping to exploit new opportunities for additional outcomes and impacts;
- supporting the development of the multi-partner regional partnership to help drive additional value; and
- reporting performance outcomes to the lead officers' group, City Region Deal Joint Committee and both the UK and Scottish Governments.

The detail and funding profile for each project is stated in the City Region Deal Financial Plan dated 1 August 2018. The success of each project is measured by the milestones stated in individual business cases, and a summary is included in the City Region Deal Implementation Plan.

Payment of grant funding can only be made for projects where the UK and Scottish Government have approved business cases and implementation plans, or where an exception is agreed. For City Region Partner organisations to draw down funding for approved projects they must provide the Council with completed grant claims and evidence of expenditure incurred. The Council's finance team will then review the evidence provided to confirm that expenditure has been incurred as part of an approved project and meets other relevant conditions specified in the City Region Deal Financial Agreement and Grant Offer Letter before requesting the SG to issue the funds. The Council then receives the funds and distributes them to the relevant partner organisation, with payments made quarterly in arrears.

Under the terms of the Scottish Government Grant Offer Letter dated 13 August 2019, the Council as 'grantee' must meet certain conditions and fulfil a number of responsibilities in its role as the Lead Authority for City Region Deal. These terms and conditions should be replicated in separate legal agreements between the Council as Accountable Body and each of the regional partners. As the grantee, the Council is also required to provide a statement of compliance in relation to these conditions, which should be evidenced in the final capital return made to Scottish Ministers by the Council's Section 95 Officer (the Head of Finance).

The Council is also required to ensure that Regional Partners are complying with requirements of their individual grants and that their submissions requesting funding are fully evidenced. Legal agreements have been put in place between the Council and each of the Regional Partner organisations which set out their respective responsibilities in line with the conditions set out in the Grant Offer Letter.

## Scope

The objective of this review was to assess the adequacy of design and operating effectiveness of the key controls established to ensure the Council effectively manages its responsibilities in its role as Accountable Body for the City Region Deal.

Our areas of audit focus as detailed in our terms of reference are included at Appendix 2.

Testing was performed across the period January 2019 to February 2020.

## Limitations of Scope

The scope of our review was limited to the Council's Accountable Body responsibilities in relation to financial stewardship of the City Region Deal as specified in the City Region Deal Financial Agreement and the 2018/19 and 2019/20 Grant Offer Letters and did not cover any other aspects of the City Region Deal governance arrangements.

## Reporting Date

Our audit work concluded on 9 April 2020, and our findings and opinion are based on the conclusion of our work as at that date.

## 2. Executive summary

Total number of findings: 2

Summary of findings raised	
Medium	1. Operating procedures, roles and responsibilities
Low	2. Information governance – data processing and storage

### Opinion

#### Effective

Whilst some moderate and minor control weaknesses were identified in the design and effectiveness of the control environment established to support the Council in fulfilling its responsibilities as Accountable Body for the Edinburgh and South East Scotland City Region Deal, they provide reasonable assurance that risks are being managed and that the Council's objective to accurately process and verify grant claims in line with Scottish Government requirements should be achieved.

Consequently, one Medium rated finding and one Low rated finding have been raised.

Our review of sample of grant claims and payments did not identify any errors, and review of operational controls including those in place to prevent and detect fraud and manage any potential conflicts of interest are deemed sufficient.

The Medium rated finding identifies that although sufficient processes are in operation, documented procedures which detail the full end to end process applied, including alignment to other Council processes such as Treasury Management and detail roles and responsibilities, including the role of senior officers in performing supervisory checks are not in place.

The Low rated finding highlights the requirement to engage with the Council's Information Governance Unit to confirm if a Data Protection Impact Assessment is required to identify and mitigate any potential data protection risks associated with the Council's finance team collecting, processing and storing partner organisation data and information which has been provided to the Council to support grant claims.

Further information on the findings raised is included at Section 3.

#### Areas of good practice

The following areas of good practice were noted:

- Grant claims made by partner organisations and the Council are effectively validated to ensure that only claims that meet the terms of grant offer letters are processed.
- Funding requests are sent to the Scottish Government on time with adequate supporting documentation included to provide the Scottish Government with assurance on the validity and accuracy of claims.
- Payments are approved at an appropriate senior level in line with the Council's financial delegated authorities and paid out to partner organisations in a timely manner following receipt of grant funding from the Scottish Government.
- Grant offer letters are reviewed and adjusted with assistance from the Council's Legal division to include appropriate clauses prior to partner organisations signing, providing assurance that the Council is not exposed to unnecessary commercial and legal risks.
- A reporting timetable is in place to ensure complete, accurate and timely submission of regular reporting to the Scottish Government and relevant City Region Deal Committees as required.



### 3. Detailed findings

#### 1. Operating procedures, roles and responsibilities

Medium

Review of a sample of ten City Region Deal grant claims and payments processed between March 2019 and January 2020 confirmed that these were processed and verified in line with all applicable grant requirements.

Our review also confirmed that operational processes followed to support processing and payment of grant claims are aligned to existing Council controls such as Treasury Management and Fraud Prevention policies. It was noted however, there are currently no documented procedures that specifically detail the Council's end to end process for preparing grant offer letters and verifying and processing grant claims in accordance with grant conditions and Accountable Body responsibilities.

In addition, while we confirmed that a dedicated officer is in post and is supported by a senior officer, and claims are approved by the Head of Finance, formal roles and responsibilities to provide assurance of segregation of duties, limited key person dependency and completion of supervisory checks have not documented.

#### Risks

The potential risks associated with our findings are:

- Lack of documented procedures impact the Council's ability to verify and process claims accurately and in a timely manner in the event of an extended period of dedicated officer absence.
- Non-compliance with the Council's [Policy on Fraud Prevention](#) to ensure appropriate internal controls to be established to enable prevention and detection of fraud.
- Failure to consistently comply with grant requirements and Accountable Body responsibilities as set out by the Scottish Government.

#### 1.1 Recommendations: End to end operating procedures

Full end to end procedures for processing and verifying grant claims, aligned with the Council's responsibilities as Accountable Body, should be prepared. The procedures should include (but not be limited to):

1. Clear roles and responsibilities for finance officers and other Council divisions involved in the process (such as Legal Services, and Banking and Payment Services).
2. Details of arrangements established to ensure appropriate segregation of duties including processing grant claims received from the Council (see recommendation 1.2 below).
3. Detailed steps for processing, validating and recording grant claims including:
  - clear links to relevant documents including Scottish Government guidance and templates; the [Scottish Public Finance Manual](#), the [Financial Reporting Manual](#) and [Scottish Government Procurement Strategy](#), and any financial processes specific to the City Region Deal, including the Council's [financial rules](#) and internal processes where required.
  - supporting evidence requirements for claims in line with Scottish Government conditions.
  - instructions for confirming the validity of claims, including capital expenditure definitions.
  - an authorisation process for where claims exceed the annual financial allocation from the Scottish Government.
  - the process for submitting claims and requesting monies from the Scottish Government.



- an approval process for requesting transfer of monies to partner organisations, aligned to the Council's [financial regulations](#) and delegated authorities.
  - clear timescales for key requirements including submission of funding requests to the Scottish Government and subsequent payments to partner organisations.
  - regular reporting arrangements aligned to all Scottish Government requirements and timescales. This should include frequency of reporting; specific requirements and details of City Region Deal Joint Committee review and approval where relevant.
  - information governance arrangements such as record retention and disposal requirements and data storage, access and security arrangements for supporting evidence; data and information provided by partner organisations in line with Data Protection Impact Assessment (DPIA) requirements. (See recommendation 2.1a below).
  - a statement on how the Council will ensure adequate arrangements are in place for prevention and detection of fraud, including managing conflicts of interest; gifts and hospitality; and whistleblowing and complaints that is aligned to relevant Council policies.
  - the process for engaging the Council's Legal division to ensure that grant offer letters are fit for purpose and adjusted to include additional clauses where relevant, together with the process for agreeing grant offer letters with partner organisations.
4. The procedures should detail the processes in place to ensure segregation of duties, and supervisory checks (for example, alignment with the Council's Treasury Management procedures). The procedures should also detail contingency arrangements to ensure the Council can continue to deliver its Accountable Body responsibilities should the designated officer be on extended leave.

Following preparation, the procedures should be reviewed and approved by an appropriate senior officer in line with the [Council's Policy Management Framework](#), implemented, and consistently applied.

The procedures should then be reviewed regularly or immediately following any change to Scottish Government guidance or requirements.

### 1.1 Agreed Management Action: Operating procedures, roles and responsibilities

This recommendation will be implemented as described above. The first phase will be the drafting and approval of a set of procedures and appropriate documentation.

These procedures will then be formally implemented, and this implementation will be monitored. The implementation date of October 2021 is to allow sufficient time to provide evidence that the procedures are fully embedded.

**Owner:** Stephen Moir, Executive Director for Resources

**Contributors:** Laurence Rockey, Head of Strategy and Communications; Hugh Dunn, Head of Finance; Alison Henry, Senior Manager - Corporate Finance; Rebecca Andrew, Principal Accountant.

**Implementation Date:**  
29 October 2021

## 2. Information governance - data processing and storage

Low

Our review confirmed that a Data Protection Impact Assessment (DPIA) has been completed for the City Region Deal's Project Management Office (PMO) use of the electronic system SharePoint.

The Council collects and stores information required for processing and validating grant claims from City Region Deal partners. An assessment of General Data Protection Regulation (GDPR) readiness was completed by the Council's Capital and Projects Team in March 2018 (prior to the

commencement of City Region Deal grant processing). However, a further assessment has not been performed to ensure that the processes in operation for the City Region Deal continue to meet GDPR requirements in relation to collecting, processing and storing City Region Deal partner organisation data.

## Risks

The potential risks associated with our findings are:

- Failure to comply with applicable data protection regulatory requirements (including the UK Data Protection Act 2018 and the General Data Protection Regulation (GDPR)) and the Council's Information Governance and Records Management policies.
- Unauthorised access to commercially sensitive information.
- Accidental loss, destruction or damage to data and supporting evidence.

### 2.1 Recommendation: Data Protection Impact Assessment and access controls

Finance should engage with the Council's Information Governance Unit to establish whether a Data Protection Impact Assessment (DPIA) should be completed to assess the privacy risks associated with collecting, processing and storage of City Region Deal partner organisation's data provided to the Council to support grant claims.

If required, the DPIA should be completed in line with the Council's [DPIA procedure and guidance](#) and should be submitted to the Council's Information Governance Unit for review and any subsequent actions completed as required.

### 2.1 Agreed Management Action: Data Protection Impact Assessment

Initial contact has been made with the Council's Information Governance Unit. If required, Finance will complete a Data Protection Impact Assessment (DPIA) and undertake any follow-up actions required.

**Owner:** Stephen Moir, Executive Director for Resources

**Contributors:** Laurence Rockey, Head of Strategy and Communications;  
Hugh Dunn, Head of Finance; Alison Henry, Senior Manager - Corporate Finance; Rebecca Andrew, Principal Accountant.

**Implementation Date:**  
30 June 2021

# Appendix 1: Basis of our classifications

Finding rating	Assessment rationale
<b>Critical</b>	<p>A finding that could have a:</p> <ul style="list-style-type: none"> <li>• <b>Critical</b> impact on the operational performance; or</li> <li>• <b>Critical</b> monetary or financial statement impact; or</li> <li>• <b>Critical</b> breach in laws and regulations that could result in material fines or consequences; or</li> <li>• <b>Critical</b> impact on the reputation of the Council which could threaten its future viability.</li> </ul>
<b>High</b>	<p>A finding that could have a:</p> <ul style="list-style-type: none"> <li>• <b>Significant</b> impact on operational performance; or</li> <li>• <b>Significant</b> monetary or financial statement impact; or</li> <li>• <b>Significant</b> breach in laws and regulations resulting in significant fines and consequences; or</li> <li>• <b>Significant</b> impact on the reputation of the Council.</li> </ul>
<b>Medium</b>	<p>A finding that could have a:</p> <ul style="list-style-type: none"> <li>• <b>Moderate</b> impact on operational performance; or</li> <li>• <b>Moderate</b> monetary or financial statement impact; or</li> <li>• <b>Moderate</b> breach in laws and regulations resulting in fines and consequences; or</li> <li>• <b>Moderate</b> impact on the reputation of the Council.</li> </ul>
<b>Low</b>	<p>A finding that could have a:</p> <ul style="list-style-type: none"> <li>• <b>Minor</b> impact on operational performance; or</li> <li>• <b>Minor</b> monetary or financial statement impact; or</li> <li>• <b>Minor</b> breach in laws and regulations with limited consequences; or</li> <li>• <b>Minor</b> impact on the reputation of the Council.</li> </ul>
<b>Advisory</b>	<p>A finding that does not have a risk impact but has been raised to highlight areas of inefficiencies or good practice.</p>

# Appendix 2: Areas of audit focus

The areas of audit focus and related control objectives included in the review are:

Audit Area	Control Objectives
1. Compliance with grant terms and conditions	<p>1.1 The Council has established appropriate financial management procedures that are aligned with the Accountable Body conditions and responsibilities set out in the financial agreement and grant offer and complies with all relevant financial agreement conditions and applicable financial protocols.</p> <p>1.2 The Council supports delivery of its role as the Accountable Body by ensuring that an adequate resource of appropriately skilled and experienced finance team members, responsible for ongoing management and disbursement of funding, have been allocated to the programme.</p> <p>1.3 The Council has established appropriate and robust controls to:</p> <ul style="list-style-type: none"> <li>• where applicable, ensure expenditure meets the definition of capital expenditure as set out within the grant offer;</li> <li>• prevent and detect irregular or fraudulent activity (both internal and external) which may impact the Programme or result in inappropriate use of any part of the grant, and procedures have been established to report any suspicions to Scottish Ministers immediately;</li> <li>• ensure confidentiality of commercially sensitive information and compliance with relevant Data Protection Legislation;</li> <li>• prevent bribery and ensure ongoing compliance with the Bribery Act 2010, including maintenance of a gifts and hospitality register; and</li> <li>• ensure Programme expenditure is spent in accordance with all legal requirements including state aid and public procurement law.</li> </ul> <p>1.4 Signed legal agreements are in place between the Council and all Regional Partners that:</p> <ul style="list-style-type: none"> <li>• replicate the terms and conditions of the grant award letter and associated schedules for payments and timing of claims;</li> <li>• include relevant clauses to ensure that the Council is not exposed to or liable for any legal or financial risks arising from the activities of partner organisations;</li> <li>• ensure that accountability in meeting the terms and conditions of the Financial Agreement and Grant Offer Letter has been passed from the Council to regional partners, where appropriate; and</li> <li>• are reviewed regularly and amended to ensure any changes to terms and conditions or associated schedules are reflected.</li> </ul>

2. Receipt and disbursement of grant funds	<p>2.1 Processes are in place to ensure grant claims from Regional Partners meet information and evidence requirements, with a second review carried out by another officer prior to submission to the SG.</p> <p>2.2 The Council has implemented processes to ensure processing of any City of Edinburgh City Region Deal Projects adhere to financial procedures with a second review completed by a senior officer prior to submission to the SG.</p> <p>2.3 Grant claim forms are submitted by the Council to the SG quarterly in arrears together with progress reports and monitoring information as set out in the grant award letter. Copies all evidence is retained to verify that conditions are met.</p> <p>2.4 The Council settles all approved claims promptly with any reasons for delays to payments recorded and approved appropriately.</p> <p>2.5 The Council maintains accurate and complete records of the budget and expenditure for the programme, including the profile for the whole programme and each project, planned expenditure, budget to date and budget remaining.</p> <p>2.6 Financial records are held in the Council's general ledger, separate from other Council financial records.</p>
3. Governance and reporting	<p>3.1 The Council has established procedures to ensure it complies with the following reporting requirements set out in City Region Deal documentation, with accurate submissions provided to the Scottish Government within expected timeframes:</p> <ul style="list-style-type: none"> <li>• Monthly Financial Forecast Table (no later than 10th working day) detailing monthly expenditure of each project and overall programme, cumulative spend and profile spend for the remainder of the financial year.</li> <li>• Quarterly performance reports (no later than 10th working day of month following quarter end) which includes RAG status for overall programme and each project, latest financial information highlighting over/underspends, RAG status and details of met and upcoming milestones, reviewed and approved by the Joint Committee prior to submission.</li> <li>• Submission of an Annual Statement of Compliance of Conditions of Grant (by 30th April).</li> <li>• Annual Benefits Realisation Plan including alignment to wider regional and economic development benefits achieved by utilising partner resources (by 30th June).</li> <li>• Annual Implementation Plan with target milestones/activities (by 30th June). The plan is also reviewed quarterly by the City Region Deal Joint Committee.</li> <li>• Annual Performance Report based previous year's activity at both Programme and Project level (by 31 July). This should be based on the annual report template.</li> <li>• Annual Financial Forecast Table for the next financial year with spend profiles for programme and each project (by 31 August).</li> </ul> <p>3.2 A change control system has been established between the Council as Accountable Body and all regional partners to ensure all partners remain</p>

	informed of any changes to financial forecasts, and that these are reported to the SG.
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| 3.3 | An annual audit of the finances of the programme is undertaken both internally and externally to the Accountable Body and the outcome of this shared with the Joint Committee and Scottish Government. |
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