

Notice of meeting and agenda

Edinburgh and South East Scotland City Region Deal Joint Committee

10.00 am Friday, 3rd September, 2021

Virtual Meeting - via Microsoft Teams

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

Contacts

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1. Order of Business

- 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

- 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

- 3.1** Minute of the Edinburgh and South East Scotland City Region Deal Joint Committee of 4 June 2021 – submitted for approval as a correct record 7 - 14

4. Forward Planning

- 4.1** Joint Committee Work Programme – report by Steve Grimmond, Chief Officer, Edinburgh and South East Scotland City Region Deal 15 - 18
- 4.2** None.

5. Items for Consideration

- 5.1** City Region Deal Progress Report – report by Steve Grimmond, 19 - 34

Chief Officer, Edinburgh and South East Scotland City Region
Deal

- | | | |
|------------|---|-----------|
| 5.2 | ESESCRD Bus Partnership Fund Award: Funding Announcement and Next Steps – report by Dr Grace Vickers, Chair, ESESCR Deal Transport Appraisal Board | 35 - 42 |
| 5.3 | A720 Sheriffhall Roundabout – report by Dr Grace Vickers, Chair, ESESCR Deal Transport Appraisal Board and Alison Irvine, Director of Transport Strategy and Analysis, Transport Scotland | 43 - 50 |
| 5.4 | Regional Prosperity Framework – Final Version – report by Paul Lawrence, Executive Director of Place, City of Edinburgh Council | 51 - 106 |
| 5.5 | City Region Deal Annual Report 2020/21 – report by Steve Grimmond, Chief Officer, Edinburgh and South East Scotland City Region Deal | 107 - 170 |

Gavin King

Clerk

Membership

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

Garry Clark

Claire Pattullo

Further information

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

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

Microsoft Teams

10.00am, Friday 4 June 2021

Present:

City of Edinburgh Council – Councillor Adam McVey

East Lothian Council – Councillor Norman Hampshire

West Lothian Council – Councillor Conn (substituting for Cllr Fitzpatrick)

Fife Council – Councillor David Ross (In the Chair)

Midlothian Council – Councillor Russell Imrie

Scottish Borders Council – Councillor Shona Haslam

Higher/Further Education Consortium – Professor Peter Mathieson

Regional Enterprise Council – Claire Pattullo

In attendance:

Dr Grace Vickers, Chief Executive, Midlothian Council

Netta Meadows, Chief Executive, Scottish Borders Council

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

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

Paul Lawrence, Executive Director of Place, City of Edinburgh Council

Rob Dickson, Executive Director, Scottish Borders Council

Hugh Dunn, Head of Finance, City of Edinburgh Council

Craig Walker, Lead Officer, Assets Transportation and Environment, Fife Council

Adam Dunkerley, Opportunities Fife Partnership Manager, Fife Council

Jackie Johnstone, Fife Council

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

Jo Blewett, Transport Scotland
Alison Irvine, Transport Scotland
Phil Cragg, Consultant, Deloitte
Catherine Molloy, Project Manager, East Lothian Council
Steve Scott, Director of Campus and Commercial Services, Queen Margaret University, Edinburgh

1. Minutes

Decision

To approve the minute of the Edinburgh and South East Scotland City Region Deal Joint Committee 5 March 2021 as a correct record.

2. Work Programme

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 planned dates for future business for the City Region Deal Joint Committee.

(Reference – Work Programme, submitted.)

3. A720 (Sherriffhall Roundabout) Progress Update

An update was provided by Transport Scotland on the progress that had been made with the Sherriffhall Roundabout.

The following points were made during the presentation and discussion:

- The proposed Scheme would provide grade separation which would separate strategic and local traffic, thus reducing traffic conflicts and reducing congestion at Sheriffhall
- Enhanced Active Travel facilities would remove the severance caused by the existing junction
 - Nearly 2 miles of segregated shared surface for pedestrians and cyclists
 - This would support and enable the provision of wider active travel facilities
- The proposed scheme would allow for faster and more reliable public transport journey times and would encourage public transport providers to increase services in the area
- Modal shift would be promoted and would facilitate key transport interchanges

- The proposed Scheme supported the themes and inclusive growth objectives identified within the Edinburgh and South East Scotland City Region Deal (ESES CRD)

Objections

- There had been 2767 objections of which there were 2701 objections through Scottish Green Party objection portal, 2641 objections based on the standard Greens objection and 60 bespoke objections based on the standard Greens objection template
- 54 non-Greens objections had been received and the 54 non-statutory objections were mostly on themes similar to the Scottish Greens objection
- 12 Statutory objections had been received and there was ongoing consultation on. One statutory objection had been withdrawn.
- 20 letters of comment and 16 letters of support had been received.

Next Steps

- The expected Scheme Timetable was as follows:
 - Public Local Inquiry - early 2022
 - Ministerial Decision - late 2022
 - Tender Period commencing – Spring/Summer 2024
 - Contract Awarded - Spring 2025
 - Construction Begins – Summer 2025
 - Completion / Scheme Open – late 2027

Active Travel – Benefits

- The proposed Scheme would provide new dedicated fully grade separated AT routes across the junction for all approach roads, including:
 - Nearly 2 miles of segregated shared surface for pedestrians and cyclists, connecting to AT facilities on all side roads
 - Five dedicated grade separated AT subways under the new roundabout and A720
 - High quality signage and lighting throughout the dedicated AT route network to encourage usage.

Public Transport – Benefits

- The proposed Scheme was expected to deliver significant benefits to local traffic, including bus services, due to the provision of:
 - improved traffic conditions on local roads resulting from the separation between strategic and local traffic
 - three circulatory lanes on the roundabout
 - three entry lanes on all approaches, with longer flare lengths than existing
 - a minimum 3.0m width (the minimum for bus use) for all entry lanes
- Improved operating conditions at the junction would provide significant improvements in bus journey time and reliability compared to the present
- The proposed Scheme provided additional ducting to facilitate future full signalisation and enable either passive or non-passive bus priority systems.
- The improved junction operation could in turn contribute to the creation of an extensive PT priority service between Midlothian and Edinburgh

Impact of Including Dedicated Bus Lanes

- With the current proposals, assessment showed that there would be a journey time saving of up to 7 minutes, depending on the route.
- Part of the carriageway space provided in the proposed Scheme could be re-allocated or extended to provide dedicated bus lanes on approach to the roundabout.
- However, re-allocation of carriageway space to buses required a throttling down of other vehicles on the approach. That throttling down created queuing at peak times that extended back onto the local road network and prevented buses reaching the dedicated lane timeously

What we need from our Partners

- Transport Scotland would write to clarify what the scheme delivered in the immediate and long term for bus and active travel to close out the PT/AT review
- Partners to write to Transport Scotland and confirm that this resolved the concerns raised in their draft Order representations and any subsequent dialogue.
- AECOM was currently scoping work to look at alignment between CRD Objectives and the Scheme to support inquiry evidence and benefits realisation. Partners input would be sought in due course.

How we get there

- TS was an active member of the Transport Appraisal Board, established to make recommendations to the Joint Committee on the City Region Deal transport projects and transport elements of other Deal projects.
- TAB also provided input as a region into other projects and on future investment in the city region's strategic transport infrastructure.
- The effective governance within the ESES City Region Deal provided the platform:
 - For TAB members to collectively reflect on Joint Committee input and partner comments to the draft Orders for the Scheme.
 - For TS to further discuss technical aspects of the Scheme and the wider alignment with other policies and projects with CRD partners at TAB.
 - For TS to continue to provide updates on the Scheme to CRD partners through the Joint Committee and TAB.
- TAB (including TS representation) would report back to the Joint Committee to seek collective support for the Scheme.

Decision

- 1) To note the Sheriffhall update presentation by Transport Scotland.
- 2) To note that a report would be brought back to the Joint Committee in September 2021 and an additional meeting of the Joint Committee would be arranged if required.

- 3) To note that all points made today would be taken to the Transport Appraisal Board for consideration.

(Reference – presentation by Transport Scotland, submitted.)

4. City Region Deal Progress Report

The Joint Committee considered a report that advised of progress across the City Region Deal Programme.

A RAG (Red, Amber, Green) scale was assigned to programmes and projects by the Partnership Management Office (PMO), as well as scores for inclusive growth and partnership working. In this update, the overall status was assigned as 'Amber' and there were no actions for the Joint Committee.

Decision

To note the progress across the City Region Deal Programme.

(Reference – report by the Chief Officer, Edinburgh and South East Scotland City Region Deal, submitted.)

5. Queen Margaret University Innovation Hub for Food, Drink and Health Sciences Business Case

Approval was sought to secure funding for, and enact, the Food and Drink Innovation Hub (“Hub”) at Queen Margaret University as set out in the Food and Drink Innovation Hub Final Business Case. Preparation of this Business Case had been led by East Lothian Council and Queen Margaret University on behalf of the Edinburgh and South East Scotland City Region Deal consortium partners - in accordance with the HM Treasury 5 Case model guidance.

The development of the Hub also unlocked a further significant opportunity for the partners to develop ELC’s landholdings adjacent to the campus into the Edinburgh Innovation Park (EIP). The EIP would be a science and technology park, aligned with the University and the Hub that would support the growth of high value added and innovative businesses including those in food and drink related sectors that would directly mature in and benefit from the activities of the Hub. The development also included infrastructure improvements, being the delivery of a grade separated junction, 1500 new homes (including affordable homes) a new primary school and community centre. A Segregated Active Travel Corridor would also improve connectivity and accessibility throughout the development.

Decision

To approve the Food and Drink Innovation Hub final business case.

(Reference – report by the Project Manager, East Lothian Council and Director of Campus and Commercial Services, Queen Margaret University, Edinburgh, submitted).

6. Dunfermline Strategic Transportation Intervention Measures (STIM) Full Business Case

The Joint Committee considered a report that presented the Business Case for a Proposal to part fund the Dunfermline Strategic Growth Transportation Infrastructure Programme, as part of the Edinburgh and South East Scotland (ESES) Region City Deal. This proposal, through the Housing Infrastructure Fund, would provide a means to unlock and accelerate investment in essential new strategic transportation infrastructure in the Dunfermline Strategic Growth Area. This would facilitate large-scale mixed-use development and investment in the Dunfermline and wider Edinburgh City Region economy including unlocking up to 2,000 affordable and 6,000 private homes.

Decision

- 1) To endorse the Full Business Case (FBC) attached as Appendix 3 to the report to support for the submission of a Housing Infrastructure application(s).
- 2) To note that Fife Council's Policy and Co-ordination Committee on 13 May 2021 authorised officers to submit the Business Case to the Edinburgh and South East Scotland City Region Deal Joint Committee and Government partners for final approval.

(Reference – report by Pam Ewen, Head of Planning, Fife Council, submitted).

7. Regional Prosperity Framework – Consultation Draft

Approval was sought for the Regional Prosperity Framework Consultation, and the associated Consultation Engagement Plan. Feedback gathered during the consultation would be used to create a final agreed Regional Prosperity Framework later in 2021. The Framework was intended to be a document that articulated the long-term aspirational goals for Edinburgh and South East Scotland to guide the future direction of regional economic and wider policy across stakeholders. It sought to set an ambitious 20-year vision for the regional economy, up to 2041.

The Consultation Draft RPF signposted, but did not present a fixed view of, the region's future priorities. It set out to engage people and to stimulate thoughts, ideas, opinions and, importantly, consultation responses, on how the main challenges and opportunities should be addressed.

Following the consultation, the final version of the document would change as a result of responses received. It would also be shaped by the strategic context as it evolved over time, to ensure a strategic fit was achieved, including with the upcoming Programme for Government.

Decision

- 1) To approve the Consultation Draft 'Regional Prosperity Framework' (previously the 'Regional Growth Framework') at Appendix 1 of the report.
- 2) To note that, given its status as a consultation document, there was no expectation or requirement for partner ratification at this stage. Partners were encouraged to provide comment and input as part of the consultation process.
- 3) To note that, if approved, the formal consultation would begin on Monday 14 June 2021 and run for six weeks, closing on Monday 26 July 2021.
- 4) To agree that the Convener of the Edinburgh and South East Scotland City Region Deal Joint Committee should write to the Cabinet Secretary for Finance and the Economy seeking an early meeting to discuss the RPF and future ways of working with the Scottish Government and national agencies.
- 5) To approve the Engagement Approach at Appendix 2 of the report, noting that there remained flexibility throughout the consultation process to ensure appropriate coverage of consultees.
- 6) To note the emerging stakeholder list at Appendix 3 of the report – this would be the starting point for stakeholder engagement with all stakeholders and partners encouraged to share the consultation with others wherever relevant.
- 7) To note the overview of governance arrangements at Appendix 4 of the report. The Elected Member Oversight Committee would continue to receive updates, as appropriate, during the consultation process.
- 8) To note that the Final Draft 'Regional Prosperity Framework' would be brought to the Edinburgh and South East Scotland City Region Deal Joint Committee for agreement, and subsequently to partners, as appropriate, for ratification.

(Reference – report by the Chief Officer, Edinburgh and South East Scotland City Region Deal, submitted.)

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Edinburgh and South East Scotland City Region Deal Joint Committee

10 am, Friday 3 September 2021

Work Programme for City Region Deal Joint Committee

Item number 4.1

Executive Summary

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

Steve Grimmond

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

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

2. Background

- 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 the grant offer letter for 2021/22.
- 2.2 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

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

Table 1: Work Programme for Joint Committee

Joint Committee Date	Reports for consideration
3 September 2021	<ul style="list-style-type: none"> • ESESCR Deal Bus Partnership Fund Award: Funding Announcement and Next Steps • A720 Sheriffhall Roundabout • Edinburgh and South East Scotland Regional Growth Framework: final report • ESESCR Deal Annual Report 2020/21
3 December 2021	<ul style="list-style-type: none"> • A720 Sheriffhall roundabout progress update (presentation) • Integrated Regional Employability and Skills Programme Report Update (presentation)
4 March 2022	<ul style="list-style-type: none"> • Dunard Centre Revised Business Case • West Edinburgh Transport Improvement Plan Business Case
June 2022 (date TBC)	<ul style="list-style-type: none"> • A720 Sheriffhall roundabout progress update (presentation)

3.2 The A720 City Bypass grade separation of Sheriffhall Roundabout is being managed and delivered by Transport Scotland. Transport Scotland are scheduled to provide updates on progress to the Transport Appraisal Board, as well as the Executive Board and Joint Committee every six months. For this Joint Committee meeting, the Transport Appraisal Board have developed a paper with technical information on the project that was requested by the Joint Committee at the previous meeting.

4. Financial impact

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

5.1 Inclusion and sustainability are key drivers for the City Region Deal, and strategic added value 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.

5.2 The [City Region Deal Benefits Realisation Plan](#) (BRP) was approved on 4 September 2020. This incorporates indicators that align with the Scottish Government's Inclusive Growth Framework. The impact on equalities, human rights and sustainability will also be measured. A BRP Implementation Plan is currently being developed, with input from key stakeholder groups within and outwith the City Region Deal Governance structure, including a range of representatives from other

Scottish City Region and Growth Deals and Scottish and UK Government Departments. As part of this, a viability study, to enhance the monitoring, evaluation and on-going management of the outcomes and impacts of the Deal, is being conducted.

- 5.3 In August 2021, Scottish and UK Government have provided joint guidance for project owners on managing potential carbon emissions associated with Scottish City Region and Regional Growth Deal projects. It accords with HM Treasury Green Book requirements and supports the quantification and minimisation of whole life carbon and the identification of potential barriers to achieving net zero. A workshop with ESESCR Deal project leads has been scheduled for September 2021 to explain the guidance and agree actions required. An update will be provided to the next Joint Committee.

6. Background reading/external references

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

7. Appendices

None.

Edinburgh and South East Scotland City Region Deal Joint Committee

10 am, Friday 3 September 2021

City Region Deal Progress Report

Item number 5.1

Executive Summary

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 “Green”. There are no actions required from the Joint Committee.

Steve Grimmond

Chief Officer, Edinburgh and South East Scotland City Region Deal

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

E-mail: andy.nichol@edinburgh.gov.uk | Tel: 0131 529 4461

City Region Deal Progress Report

1. Recommendations

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

2. Background

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 scores for inclusive growth and partnership working.

2.2 Tables and 2 show 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: Strategic Added Value Score

Score	Description
1 (Low)	<ul style="list-style-type: none"> • There are opportunities for links with one or two other CRD themes that may add value to the proposal. • Partnership working with wider stakeholders, to add value to the proposal has not been thoroughly considered, but may be possible, and should be explored. • One or two of the five “inclusive growth” measures listed in the Deal Document could be incorporated into the delivery of the project.
2 (Medium)	<ul style="list-style-type: none"> • There are opportunities for links with two or three other CRD themes that may add value to the proposal. • Partnership working with wider stakeholders, to add value has been factored into the business case to some extent, but there are opportunities to enhance. • Two or three of the five “inclusive growth” measures listed in the Deal Document could be incorporated into the delivery of the project.
3 (High)	<ul style="list-style-type: none"> • There are opportunities for links with three or four other CRD themes that may add value to the proposal. • Partnership working with wider stakeholders, e.g. private/third sector is already taking place and strategic added value effects are clear. • Three, four or five “inclusive growth” measures listed in the Deal Document could be incorporated into the delivery of the project.

3. Main report

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

4. Financial impact

4.1 The overall cumulative total of Grant claimed for the Deal to date (2018 – present) is £177 million. This total includes the funding issued by Transport Scotland and Scottish Government Housing.

4.3 Since the onset of COVID-19, Scottish and UK Governments have agreed to allow the draw down monthly in arrears as opposed to quarterly for projects entirely funded by Government that have asked for the flexibility.

5. Alignment with Sustainable, Inclusive Growth Ambitions

5.1 Inclusion and sustainability are key drivers for the City Region Deal, and strategic added value 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.

5.2 The [City Region Deal Benefits Realisation Plan](#) (BRP) was approved on 4 September 2020. This incorporates indicators that align with the Scottish Government’s Inclusive Growth Framework. The impact on equalities, human rights and sustainability will also be measured. A BRP Implementation Plan is currently being developed, with input from key stakeholder groups within and outwith the City Region Deal Governance structure, including a range of representatives from other Scottish City Region and Growth Deals and Scottish and UK Government Departments. As part of this, a viability study, to enhance the monitoring, evaluation and on-going management of the outcomes and impacts of the Deal, is being conducted.

5.3 In August 2021, Scottish and UK Government have provided joint guidance for project owners on managing potential carbon emissions associated with Scottish City Region and Regional Growth Deal projects. It accords with HM Treasury Green Book requirements and supports the quantification and minimisation of whole life carbon and the identification of potential barriers to achieving net zero. A workshop with ESESCR Deal project leads has been scheduled for September 2021 to explain the guidance and agree actions required. An update will be provided to the next Joint Committee.

6. Background reading/external references

- 6.1 [Edinburgh and South East Scotland City Region Deal Document](#) (August 2018)
- 6.2 [City Region Deal Benefits Realisation Plan](#): ESESCR Deal Joint Committee report 4 September 2020

7. Appendices

- 7.1 Edinburgh and South East Scotland City Region Deal Progress Report (August 2021)

Progress Report

Last updated: 30 August 2021

Overall Status
Last Quarter

Green

Overall Status
This Quarter

Green



CITY REGION DEAL

Edinburgh & South East Scotland

Page 1: Dashboard

Recent Achievements and Milestones

Achievement/Milestone	Date
QMU Innovation Park Business Case approved by Joint Committee	Jun 21
Dunfermline Housing Business Case approved by Joint Committee	Jun 21
Regional Prosperity Framework consultation complete	July 21

Upcoming Joint Committee Meeting Milestones (expected)	Target Date
City Region Deal Annual Report 2020/21	Sep 21
A720 Sheriffhall Roundabout Report	Sep 21
Regional Prosperity Framework Final Report	Sep 21
Bus Partnership Fund Award Update	Sep 21
IRES Programme Update	Dec 22
Dunard Centre Revised Business Case	Mar 22
West Edinburgh Transport Improvement Business Case	Mar 22

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	21-22 CRD Grant allocation	21-22 Grant drawdown
600,000	176,989 29.50%	£57.51m*	£9.20m*

Top 3 Risks (from PMO Risk Register)

Risk	Impact	Likelihood	Severity	Resolution Plan or Mitigating Action
External unplanned shocks which the regional partners have limited control over (e.g. pandemic, or manner of EU exit) affect the ability of projects to deliver according to their original plans.	3	4	12	<ul style="list-style-type: none"> Regular updating of progress report and monthly financial forecasts to ensure PMO is aware of issue(s) at an early stage and can raise with Government, Executive Board and Joint Committee as appropriate. Change Management process as set out in the Benefits Realisation Plan is being implemented Review outputs & timelines in the light of delays & consider advancement of spend as appropriate. Pivot projects proactively where possible in line with need and opportunity. Regional Prosperity Framework has "Adaptable" as one of its three themes, and includes mitigations against uncertainty and change.
Cost of construction rises more than expected, due to shortages of material and labour	3	4	12	<ul style="list-style-type: none"> Regular consideration of latest trends at IRES and Housing Boards to raise issues with Government and agencies at an early stage, and allow discussion on potential solutions. HCI Skills Gateway to pivot accordingly to address skills issues.
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"> REC has cross-regional representation. They use their status as ambassadors to champion the City Region Deal, and share messaging with wider networks. Regular meetings take place with other groups, e.g.: TSI / SEN meetings (where group members sit on DDI Delivery and IRES boards) and NHS. Communications group provides tools to spread positive messaging, e.g. website, key messaging documents.

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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.

Strategic Added Value Score

Score	Description
1 (Low)	<ul style="list-style-type: none"> • There are opportunities for links with one or two other CRD themes that may add value to the proposal. • Partnership working with wider stakeholders, to add value to the proposal has not been thoroughly considered, but may be possible, and should be explored. • One or two of the five “inclusive growth” measures listed in the Deal Document could be incorporated into the delivery of the project.
2 (Medium)	<ul style="list-style-type: none"> • There are opportunities for links with two or three other CRD themes that may add value to the proposal. • Partnership working with wider stakeholders, to add value has been factored into the business case to some extent, but there are opportunities to enhance. • Two or three of the five “inclusive growth” measures listed in the Deal Document could be incorporated into the delivery of the project.
3. (High)	<ul style="list-style-type: none"> • There are opportunities for links with three of four other CRD themes that may add value to the proposal. • Partnership working with wider stakeholders, e.g. private/third sector is already taking place and strategic added value effects are clear. • Three, four or five “inclusive growth” measures listed in the Deal Document could be incorporated into the delivery of the project.

Overall Total				Project Name	2021 - 2022					Comments
Total Budget £000	CRD Grant Total £000	CRD Grant Claimed To Date £000	CRD Grant Claimed to Date %		Forecast Grant Allocation £000	Grant Claimed to Date £000	Spend to Jul £000	Outturn £000	Outturn Variance £000	
101,047	32,545	32,545	100%	Bayes Centre	0	0	0	0	0	CRD Grant fully drawn down.
22,469	22,469	5,221	23%	National Robotarium	18,416	3,167	3,167	18,416	0	
189,297	57,920	52,950	91%	Edinburgh Futures Institute	8,021	3,050	6,483	8,021	0	Projected to be fully drawn down in 21/22.
190,620	79,595	32,987	41%	Edinburgh International Data Facility	3,748	0	0	3,748	0	
84,610	49,205	7,593	15%	Usher Institute	9,596	1,845	2,860	9,596	0	
42,596	17,366	16,424	95%	Easter Bush	942	0	0	942	0	Projected to be fully drawn down in 21/22.
30,000	10,900	0	0%	Easter Bush Link Road - A701 & A702	385	0	0	385	0	
52,003	30,000	0	0%	Food and Drink Innovation Campus	1,044	0	0	938	-106	
49,425	35,000	5,479	16%	Fife Industrial Innovation Investment	5,178	426	661	4,565	-613	
29,050	15,000	207	1%	Scottish Borders Innovation Park	2,116	7	10	2,116	0	
791,110	350,000	153,406	44%	Total Research, development and innovation	49,445	8,496	13,181	48,726	-719	
25,000	25,000	3,977	16%	Integrated Regional Employability & Skills	4,170	566	760	4,162	-9	
25,000	25,000	3,977	16%	Total IRES	4,170	566	760	4,162	-9	
120,000	120,000	4,562	4%	Sheriffhall Roundabout*	-	109	-	-	-	SG to fund up to £120m to support improvements to the A720 City Bypass for the grade separation of Sheriffhall Roundabout via Transport Scotland.
36,000	20,000	45	0%	West Edinburgh Public Transport Infrastructure	263	31	31	263	-0	
156,000	140,000	4,606	3%	Total Transport	263	140	31	263	-0	
44,990	20,000	0	0%	IMPACT/Dunard Concert Hall	3,630	0	412	3,141	-489	JR set aside following mediation. To be redesigned and variation made to planning application.
44,990	20,000	0	0%	Total Culture	3,630	0	412	3,141	-489	
263,000	15,000	15,000	100%	Housing Company (Edinburgh Living)**	0	0	0	0	0	Separate grant letter from SG. CRD Grant fully drawn down.
50,000	50,000	0	0%	Housing Infrastructure Fund**	0	0	0	0	0	Separate letters from SG for individual proposals. Allocation figure is based on financial plan.
313,000	65,000	15,000	23%	Total Housing	0	0	0	0	0	
1,330,107	600,000	176,989	29%	Total Programme	57,508	9,201	14,384	56,292	-1,217	

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

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

Project	Stage	Last Milestone	Next Milestone	T	B	SAV	Comments
Bayes Centre	Deliver	Sep 18: Opening	N/A	G	G	3	Bayes Centre re-opened in July.
National Robotarium	Implement	Jan 2021: Start on Site	March 2022: Complete construction	A	G	2	Construction progressing in line with programme. Procurement of specialist equipment underway. CEO recruitment process underway.
Edinburgh Future Institute	Implement	Start on site	Jun 22: Complete construction	A	G	3	Construction progressing in line with programme. Some delivery initiatives (e.g. Global Open Finance Centre of Excellence) now launched.
Usher Institute	Implement	Feb 21: Planning application approved	Sep 21: Commence construction	A	G	2	Two month delay in commencement of construction of the Usher Institute. Construction will now commence September 2021 for completion in Spring 2023.
Easter Bush	Implement	Mar 21: FBC approved by Joint Committee	Aug 21: Mobilise team to deliver business plan	G	G	2	Joint Committee approval secured on 5 Mar 2021. DDI Agritech talent plans approved and delivery now underway.
Edinburgh International Data Facility	Implement	Jul 21: Complete hardware installation	Jul 22: Launch Regional Data Haven	G	G	2	Main Phase 1 IT equipment procured and installed.

T: On Time?; B: On Budget?; SAV: Strategic Added Value score

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

Project	Stage	Last Milestone	Next Milestone	T	B	SAV	Comments
Edinburgh Innovation Park (QMU Food and Drink) Page 27	Define	JC approval on 4 June 2021 Junction tender issued . Currently progressing Stage 2	Refresh project execution documents to set out detailed timetabling for delivery stage.	G	G	2	Junction tender is a 2 stage process with the final award scheduled for July 2021 (subject to any impact that Covid may have on workforce/ availability of construction materials/costs). Commencement of construction is targeted for August 2021 once the vaccination centre at QMU has been deconstructed. At this stage (subject to any further impact that Covid may have) the completion of the junction is scheduled for August 2022.

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

Project	Stage	LastMilestone	Next Milestone	T	B	SAV	Comments
Borders Innovation Park	Implement	Site works for Phase 1. (Q2 20/21)	Build-out of first building in Phase 1 (Q3, 21/22)	A	G	1	The build-out of Phase 1 is continuing and the first building will be completed in mid-September with tenant fit-out to follow. No decision has yet been made on Phases 2 and 3, but a report on a way forward will be taken to Council in September 21.
Page 28 Fife Industrial Innovation Investment (Fi3P)	Implement	Planning consent secured and contract let for construction works at West Way, Dalgety Bay (Q1 21/22)	Q2 21/22: Start on Site at West Way, Dalgety Bay Q2 21/22 Planning consent for Site Servicing, Lochgelly Q3 21/22: Completion of business units at Dunnikier Business Park, Kirkcaldy	G	G	2	West Way, Dalgety Bay milestones achieved. Sitemworks ongoing at Fife Interchange North, Dunfermline. Flemington Rd, Glenrothes: tenancies secured for 8 (out of 9) units. Marketing underway for Dunnikier Business Park, Kirkcaldy. Requirement for further drainage assessment at Lochgelly delayed planning consent from Qr 4 20/21.

Project	Stage	Last Milestone	Next Milestone	T	B	SAV	Comments
IRES Programme	Implement/Deliver	Positive and well attended IRES board on 11 th May 2021. Benefits Realisation Plan approval at Joint Committee for 'thematic' outcomes for the IRES programme.	Work continues on Monitoring & Evaluation and enhanced reporting; aligning project outcomes with overall IRES and City Region Deal Benefits Realisation targets. IRES board scheduled for 17 th August 2021.	G	G	3	<ul style="list-style-type: none"> IRES board scheduled for 17th August 2021 with presentations on Workforce Mobility, Health and Social Care Gateway progress, and new enhanced reporting and Monitoring & Evaluation. IRES Programme Connector is working with Project Leads to further develop monitoring and evaluation, and feed into the overall Benefits Realisation plan framework - reporting with increased automation and online tools. Budgets are being reviewed for potential acceleration opportunities.
Integrated Knowledge System	Implement/Deliver	IKS DAG (Delivery and Advisory Group) was held on 15 June.	<p>Project plan confirmed and agreement with relevant organisations.</p> <p>First Senior Local Authority (LA) representatives meeting to be held.</p>	G	G	3	<ul style="list-style-type: none"> DAG subgroup created of senior LA members for IKS to look at cost, timelines for migration etc. Important to have full agreement and buy-in now for future sustainability of project. Agreement to pilot the IKS system for School Work Experience in Edinburgh. Development proposal created to expand functionality to transition from school leaver to wider Young Persons Guarantee (YPG) offer. To be made available to other LAs in future. Working with Data Skills for Work to develop training courses for frontline worker upskilling on data. To be delivered in parallel to training on new system from Jan 2022. Demo site for new Management Information System (MIS) being expanded. Next step to load IEE data and programmes to build out functionality and reporting. Conversations with Scot Government on Shared Measurement Framework and Personal Data Stores/Customer Single-Sign-On continue.
Labour Market Analysis and Evaluation	Deliver	<p>The monitoring and evaluation workshops are now underway for the ESES LMI Toolkit.</p> <p>The ESES RIH (Regional Intelligence Hub) Task and Action (TAG) have met twice with Ekosgen to shape the regional Green Skills research.</p>	<p>The LMAE project will link in with other IRES projects to build additional resources and links into the existing toolkit.</p> <p>The RIH TAG will meet to review the draft output and its findings in late August 2021.</p>	G	G	2	<ul style="list-style-type: none"> The Labour Market Toolkit monitoring and evaluation workshop took place on the 21st July 2021. The resource was promoted to over 60 SDS Careers Information, Advice and Guidance (CIAG) staff members across the region. A following workshop was held on 10th August 2021. The ESES RIH Task and Action group continues to support the Climate Emergency and Green Skills research. The last meeting was on the 30th July 2021. Upon completion of the research, the group will evaluate its impact. This work is progressing well and Ekosgen have completed the desk research and are now carrying out a series of consultations with employers and stakeholders across the region. The LMAE theme group met on 4th August. The group discussed ways in which to implement and support the recommendations in the Cross Cutting Skills research.



Project	Stage		Next Milestone	T	B	SAV	Comments
Integrated Employer Engagement	Implement	<p>Community Benefits portal development – map function to showcase regional asks, and CRD developments underway in site build.</p> <p>Reporting programme created for CWB engagement activity.</p> <p>Site visits to The Ridge & Fashion Retail Academy Dunbar to determine RSC development support offer.</p>	<p>Issue employer Recruitment & Skills Centre (RSC) academy grant to Bespoke Recruitment Solutions – aiding academy pilot for Cityfibre contract.</p> <p>Site visit to Granton Station – Kier construction to better understand community benefits asks.</p> <p>Consultation with local Business Gateway teams to identify funding gap to shape future IEE Employer Fund #2.</p> <p>Create reporting programme within Hanlon to track IEE Employer Fund #2.</p>	G	G	2	<ul style="list-style-type: none"> C19 Jobs continues to be populated daily, with a mailshot planned for late August to seek feedback from users. Facebook sponsored advertising campaign underway in preparation for end of furlough. Retail Rapid Response (RRR) job outcomes delivered so far since April 21= 43. Completed first physical in school retail insights session July 21. Recruitment & Skills Centre (RSC) workstream employer led programmes: <ul style="list-style-type: none"> Working with Scottish Whisky Association on development of training offer growing pipeline of jobseekers and supporting the recruitment attraction strategy 1 officer now identified as Timewise flexible working change agent programme (Scottish Govt funded initiative). Strategy meeting set up with DDI to discuss roll out of data citizen level training to training providers and employer linked pre employment training. Ongoing Risk: Covid19 has impacted employers general recruitment practices since business case approval; being addressed and offer adjusted to support businesses and client groups.
Intensive Family Support	Implement/Deliver	<p>Q2 Reports received from delivery partners reporting on progress to date.</p> <p>Community of Practice (CoP) meeting discussing social network research & trauma informed approaches with Family Support and Youth Workers.</p> <p>Updated IFSS M&E Framework finalised and circulated to partners.</p>	<p>Next CoP scheduled for Employability and Advice Workers.</p> <p>Individual meetings scheduled with teams across IFSS to support M&E changes.</p> <p>Outcomes meetings scheduled for remaining teams.</p>	G	G	2	<ul style="list-style-type: none"> 86 families engaged with IFSS. Starting to see outcomes for clients, including 4 full time jobs, 3 part time jobs, 6 re-engagements in education for young people. Face to face support beginning to become the norm for services again. M&E framework new process implemented with service providers. CoP will continue to meet once monthly in rotation with various staff across IFSS. IFSS website and social media developed and under review from IRES leads via IRES Comms group. Ongoing Caselink support in place for service providers. Phase two of professional development programme continues, systemic practice training scheduled for September. Supporting development of steering groups for West Lothian and Scottish Borders services. Supporting a new process of collecting soft outcome data from delivery partners.

Project	Stage	Last Milestone	Next Milestone	T	B	SAV	Comments
Housing and Construction Infrastructure (HCI) Skills Gateway	Implement	Delivery of summer industry learning challenges, including Icebox at Glasgow St Enoch's and beX NMITE integrated engineering field trip.	Award of HCI Masters scholarships at Edinburgh Napier, Heriot-Watt and University of Edinburgh for 2021-22 academic year.	G	G	3	<ul style="list-style-type: none"> Re-forecast of activity and spend, especially around FE short courses, underway prior to start of new academic year and in response to gap in provision identified in Midlothian council area. ZEST Technical paper – discussing approach for identifying the technical retrofit pathways, to then align to the skills need to deploy these solutions – authored by Professor Sean Smith and published by Scottish Government Awaiting response to £209k bid to enhance 'Build for Purpose' CPD short course submitted to UK Community Renewal Fund and now in second stage of decision-making process at UK Government level HCI Skills Gateway to feature in a <i>Times/Sunday Times</i> event and supplement on construction skills in November 2021
Data-Driven Innovation (DDI) Skills Gateway	Implement	Completed planning for 21/22 in line with grant agreement and following Annual Review session. Prepare comms plan for 21/22.	Next Data Skills Credit call to run over August. Team planning a <i>Day of Data</i> event – additional funding secured.	G	G	2	<ul style="list-style-type: none"> Continued engagement with live lessons has led to over 5,000 engagement. Data skills project run in partnership with Union Learning has reached 50+ learners. British Sign Language (BSL) project has worked with UK-wide BSL experts to develop glossary for 496 data science, cybersecurity and computing science terms so far. Ongoing engagement with Scottish Government team implementing the Logan review. 65 learners enrolled in National Progression Award Data Science Level 4 summer course at Edinburgh College– this is the first time such a course has been delivered. There is an opportunity to replicate across other Colleges next year.
Workforce Mobility	Implement	December 2020 IRES Board – Validate Steering Group Recommendations	17 August 2021 IRES Board – Baseline Assessment, policy review, pilot projects & Next Steps	G	G	2	<ul style="list-style-type: none"> Review of first draft of national/regional/local policy review against barrier report Bike on Bus storage assessment report Final Draft. UK Community Renewal Fund outcome delayed until Mid/Late Aug 21 Data gathering, analysis and GIS mapping continues across the regions. Information and outputs now validating anecdotal evidence. Further data gathering pilot trialled, 4 of 6 LA's committed to undertaking going forward, with meetings with Midlothian and Fife still to be held Continued involvement as a theme lead on the Regional Prosperity Framework - consultation complete. Continue to speak with Transport Scotland to be involved in the 'Future of Transport Forum', NTS2 Partnership, National Smart Ticket Advisory Board, Transport Governance & Collaboration Review Group and Accessible Travel Framework. Involved in the south of Scotland Strategic Transport Projects Review consultation & SEStran RTS. Joined the City of Edinburgh Council End Poverty Network of Networks. Steering Group to approve recommendation to IRES Board on 5 August 2021. Pilot 2 commenced to map new bus routes.

Project	Stage	Last Milestone	Next Milestone	T	B	SAV	Comments
A720 Sheriffhall <i>(last update provided by Transport Scotland on 24 August 2021)</i> Page 32	Define	Consultation on draft orders closed 31 January 2020. Transport Scotland is currently considering the responses.	Ongoing statutory process and responding to representations.	G	G	1	<ul style="list-style-type: none"> Engagement with objectors is underway to inform objection resolution. Formal objection response drafting is substantially complete, with some responses issued. Background inquiry evidence preparation is underway. Engagement with CRD partners on technical aspects of the scheme. The focus in this period was on traffic modelling. Paper produced seeking the Joint Committee's ratification of their support for the scheme as published following the provision of additional technical information on the scheme.
West Edinburgh	Define	Agreement of revised Objectives.	Delivery of the Strategic Case Report. Conclusion of the Preliminary Appraisal Outcomes Report	G	G	1	<p>£36m of funding identified (£20m from SG to support public transport infrastructure improvements) and £16m from City of Edinburgh Council (CEC) plus contributions from the private sector and developers (TBC).</p> <p>In 2019, CEC developed a model to further prioritise the measures set out in the 2016 West Edinburgh Transport Appraisal (which amounted to £108m inc. optimism bias), with an emphasis on public transport and active travel prioritisation. Joint Committee have approved the appointment of Jacobs to execute Stage 1 of the project delivery plan. This will include further feasibility of proposals, developing outline designs, refining the current business case and updating the West Edinburgh programme delivery plan accordingly (including financial profiles).</p> <p>Agreement on funding between CEC and Transport Scotland has been agreed and Stage 1a has commenced. Discussions are to commence on the required approvals to proceed with Stage1b.</p> <p>Note: CRD partners submitted an application to Transport Scotland's Bus Partnership Fund Application, which cites A8/89 as a key strategic Public Transport corridor, further announcements to follow.</p>

Project	Stage	Last Milestone	Next Milestone	T	B	SAV	Comments
Dunard Centre	Define	Project taken off pause following agreement to dispose of judicial review against CEC.	Variation to planning application.	A	A	2	Judicial Review set aside following successful mediation. Concert hall to be redesigned and variation made to planning application has been submitted. Full business case will follow thereafter.

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Project	Stage	Last Milestone	Next Milestone	T	B	SAV	Comments
Affordable housing	Deliver & Define	Regional SHIP outputs for 20/21 presented to June Board	Est. investment subgroup with SG – Sep 2021.	A	N/A	2	<ul style="list-style-type: none"> Regional SHIP to explore collaboration opportunities on 21/22 programme.
Strategic sites	Implement & Define	Site Leads meeting 12 July	Granton Waterfront OBC - Autumn 2021	A	A	2	<ul style="list-style-type: none"> Outline Business Cases for sites are at different stages of development. Regular leads meetings now established to explore challenges, innovation and shared learning from business case development.
Page 34 Innovation & skills	Implement	Understanding net zero potential, develop pipeline and a joint procurement approach	Site at Granton Waterfront identified as a pilot for the Edinburgh Home Demonstrator (EHD) Programme. The EHD aims to develop a new housing delivery model which is based on off-site construction & will deliver net zero homes.	A	N/A	3	<ul style="list-style-type: none"> Demonstrator project will look at standardised housing types, procurement and delivery models to increase offsite manufacturing across the city region.
Infrastructure, funding and land assembly	Define	Develop proposal for regional infrastructure forum.	Input into Regional Prosperity Framework .	A	N/A	2	<ul style="list-style-type: none"> Forum proposal to be developed in line with the recently published Interim Regional Spatial Strategy and emerging Regional Growth Framework ahead of a initial meeting to test appetite of partners and infrastructure providers.
Housing company	Deliver	Draw down of funds completed.	Ongoing Delivery.	G	G	1	<ul style="list-style-type: none"> The City of Edinburgh Council and Scottish Futures Trust will continue to share learning and financial models with partners, to explore regional delivery models.

Edinburgh and South East Scotland City Region Deal Joint Committee Report

10 am, Friday 3 September 2021

ESESCR Deal Bus Partnership Fund Award: Funding Announcement and Next Steps

Item number 5.2

Executive Summary

The Joint Committee approved a report on 5 March 2021 which authorised the Transport Appraisal Board to prepare a collective South East of Scotland regional bid for submission to Transport Scotland's Bus Partnership Fund (BPF), subject to agreement by the six individual Councils. The bid preparation was led by City of Edinburgh Council officers, supported by the consultants Jacobs, in collaboration with the constituent authorities of the City Region, Clackmannanshire and Falkirk, with input from SEStran and key bus operators. The £204m BPF bid was submitted on 16 April. On 22 June, ESESCR Deal were informed that it had been awarded £3.03m.

This initial tranche of funding is for the delivery of quick win measures and appraisal work to support local transport authorities towards developing business cases which will detail how the investment will achieve strategic objectives; at both the national and local levels. The aim is that the award will fund the development and delivery of projects that reduce the negative impacts of congestion on bus services and increase bus modal share. The funding award is to be supported by other action and investment by the partners (i.e. match in kind).

Further funding is expected to be released by Transport Scotland following the delivery of the initial appraisal work and the successful progression of an associated gateway review process. An element of this gateway process will be evidence of partnership working. One of the key requirements of the award offer is that bidders work towards Bus Service Improvement Partnership (BSIP) status, as defined by the Transport (Scotland) Act 2019.

Quick win measures include plans to make permanent some of the temporary infrastructure brought forward through the Bus Priority Rapid Deployment Fund, subject to due process.

This report provides more detailed background on both BPF and BSIPs and suggests recommendations to the Joint Committee on the next stages for the advancement of the

BPF and BSIP arrangements. These recommendations will then require ratification by the constituent local councils, and subsequent agreement will be required with other partners such as SEStran and bus operators.

Grace Vickers

Chair, ESESCR Deal Transport Appraisal Board

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ESESCR Deal Transport Appraisal Board bid into the Bus Partnership Fund

Recommendations

- 1.1 To note the recent Bus Partnership Fund award of £3.03 million to ESESCR Deal from Transport Scotland.
- 1.2 To recognise the efforts of the constituent authorities, SEStran, key bus operators and the consultants in contributing to the development and submission of the funding bid, all within a tight time-scale and during Covid-19 pandemic restrictions.
- 1.3 To note that a short life BPF / BSIP sub-group will be established to support the Transport Advisory Board with the associated work-streams moving forward. In addition to local authority / SEStran representatives this sub-group will seek as far as possible direct participation from public transport operators. The purpose of the sub-group will be to recommend governance arrangements for a stand-alone partnership of councils, SEStran, bus operators and bus users that best aligns with the Government's proposals for formal Bus Service Improvement Partnerships as they develop, learning from best practice elsewhere.
- 1.4 To approve the recruitment of a dedicated Bus Partnership Fund Programme Officer to lead on the next phase of the BPF development and implementation work. Agree that the recruitment process be led by the City Region Deal Project Management Office. To bridge the gap between now and the formal appointment of the programme officer, which may take up to four to six months, it is intended to arrange a temporary resource.
- 1.5 Following any required procurement exercises, approve the appointment of consultants to undertake the Strategic Appraisal.
- 1.6 To note that each roads authority will be responsible for the organisation of the quick wins measure in their area and will determine their own preferred route to delivery. This approach worked well during the delivery of the Bus Priority Rapid Deployment Fund measures; of which the quick-wins measures are almost entirely based on.

2. Background

- 2.1 As part of its response to the climate emergency, the Scottish Government are providing a long-term investment of over £500m through the Bus Partnership Fund to deliver targeted bus priority measures on local and trunk roads. This is intended to reduce the negative impacts of congestion on bus services and address the decline in bus patronage.
- 2.2 The Bus Partnership Fund will complement the powers in the Transport (Scotland) Act 2019, enabling local authorities to work in partnership with bus operators, to develop and deliver ambitious schemes that incorporate bus priority measures. The Fund will focus on the evidence of how bus services will be improved by addressing congestion, but the partnership approach is also expected to leverage other bus service improvements to help tackle the climate emergency, reduce private car use and increase bus patronage.
- 2.3 The report considered by the Joint Committee on 5th March gave details of how BPF and a BSIP would support the overarching aim of achieving sustainable inclusive growth across the region.

3. Main report

Overview of submitted BPF and Award Offer

- 3.1 The ESESCRD bid submission was an ambitious one which focused on the main corridors into the City but also the need for orbital improvements within the City.
- 3.2 The initial award offer from Transport Scotland, totals £3.03 million and is split as below:
 - £1.45 million for the delivery of quick win measures (over financial years 21/22 & 22/23);
 - £1.4 million* for the development of a South East Region Strategic Appraisal and outline business cases for the North, West and Orbital corridors / routes; and
 - £180,000 to support a full time Project Manager (for the first three years of the programme).

**Note: Funding for the OBC works will be released subject to satisfactory gateway review of the strategic appraisal.*

It is anticipated that further funding will be offered following submission, to Transport Scotland, of a Strategic Appraisal and outline business cases for the North, West and Orbital corridors / routes.

Committee should note that the scope of the Strategic Appraisal will be finalised in further discussion with Transport Scotland

- 3.3 In comparison to awards made to other partnerships, the ESESCRD award is comparable and bodes well for further awards. The largest initial award was made to the North East Bus Alliance (comprising Aberdeen & Aberdeenshire Council,

Nestrans, Stagecoach, First Aberdeen and Bains Coaches) but it should be borne in mind that this alliance has been a well-established partnership for many years, and is therefore, in a more advanced and advantageous position than most of the other partnerships.

- Ayrshire Bus Partnership: £305,000
- Edinburgh and South East City Region: £3m
- Fife Bus Partnership (west area only, central/east Fife bid pending decision): £749,000
- Forth Valley Bus Alliance: £500,000
- Glasgow Bus Partnership: £3.7m
- Highland Bus Service Improvement Partnership: £2.1m for Inverness and £707,000 for Fort William
- North East Bus Alliance: £12m
- Tayside Bus Alliance: £497,000.

Governance of the BPF Delivery

- 3.4 The feedback from Transport Scotland made clear that further evidence of partnership working, particularly with bus operators, was critical going forward. Accordingly, in the development of any BSIP, a governance model would be needed that creates a partnership with the relevant bus operators and local authorities in the BSIP area.
- 3.5 The work undertaken by the Regional Transport Transition Group, over the last year on Covid-19 transport transition work has worked extremely well and has shown the strength of collaborative working. This underpinned the BPF bid by the TAB. It is essential that this good partnership working is now carried forward into a new grouping that involves the relevant bus operators. For the three corridors, it may be that different operators will be engaged – for example First Group for West, and Stagecoach for North corridors.
- 3.6 With this in view there would be merit in establishing a specific, short life, BPF / BSIP sub-group. This sub-group would be focussed on BPF / BSIP work and would be led by those with experience of public transport on a day-to-day basis within the local authorities and SEStran but more importantly public transport operators would be invited to be members of the sub-group. The remit of this sub-group and the roles within it will be finalised in due course but its main initial aim would be to develop a set of governance recommendations for a BSIP model. This agreement would need approval from SEStran, constituent authorities and participating bus operators.
- 3.7 It is important that the sub-group considers the best fit for governance going forward, having regard not just to the emerging draft guidance and regulations from the Government on BSIP models but also successful, existing bus alliances – most notably the long-established North East of Scotland Bus Alliance,¹ which secured £12m in the recent round of bidding. How the governance model interacts with existing City Deal structures such as the TAB will also need to be considered.

¹ <https://www.nestrans.org.uk/wp-content/uploads/2019/01/Signed-Region-Wide-QP-Agreement.pdf>

Appointment of a Dedicated BPF Project Manager

- 3.8 A key component of the bid submission was the “building in” of a dedicated project management resource to support the delivery of the various aspects of BPF and the establishment of a City Region Deal BSIP. Although at this time the funding for this dedicated resource is less than bid for, it is considered proportionate for the stage we are at in the process. As the Strategic Appraisal and outline business case work advances through Transport Scotland’s gateway stages it is anticipated that the management resource will be strengthened.
- 3.9 It is the recommendation of the TAB that this resource sits within the established City Region Deal’s Programme Management Office, thereby maintaining contact with the City Deal programme, and that the recruitment exercise is led by the City Region Deal’s Project Management Office (where the post would be hosted by The City of Edinburgh Council mirroring the existing arrangements of the CRD PMO). It is anticipated that the recruitment of the post could take between four to six months and therefore it is intended to arrange a temporary resource to ensure momentum is maintained during the initial stages of the funding award.

Procurement of Consultancy Support Services

- 3.10 The TAB was supported by consultants Jacobs during the preparation of the BPF bid and their technical knowledge, professionalism and general enthusiasm should be highlighted and acknowledged.
- 3.11 It is therefore proposed that Jacobs are reappointed, under CEC’s current framework contract, to support the development and delivery of the initial Strategic Appraisal work (valued at £350,000), with the following Outline Business Case work (£1.05 million) being subject to a competitive procurement exercise in due course.

Delivery of Quick-Win Projects

- 3.12 £1.45 million has been allocated to quick-win projects. These are:

- A1 bus lanes £100,000
- A90 bus lanes £200,000
- A89 eastbound bus lane £225,000
- A8 westbound bus lane £75,000 (scheme title is being checked – authors think this is actually Maybury Eastbound)
- A71 Hermiston P&R signals £150,000
- Newcraighall/Kaimies/Gilmerton bus lanes £150,000
- Melville Dykes/Hillhead junction £200,000
- Musselburgh and Prestonpans £100,000
- Orbital routes - Rationalising bus stops £250,000

The TAB considers that the most efficient way of delivering these projects is for them to be managed and undertaken by the relevant local authority. There will be an associated statutory process with much of this work and a sizeable amount of

evidence gathering, consultation and engagement. Some authorities may be able to undertake this work in-house but others may require to appoint consultants. Those seeking to appoint consultants will have the option of working collaboratively with other authorities. Progress would be monitored by the TAB / City of Edinburgh. This approach worked well during the delivery of the Bus Priority Rapid Deployment Fund measures, of which the quick-wins measures are almost entirely based on.

Development of an ESESCR Deal Bus Service Improvement Partnership

- 3.13 One of the main conditions of the BPF award is that partnerships have to demonstrate partnership strength and commitment, including through ‘match in kind’ action and investment to further improve bus services. In doing this it is expected that partnerships will be working towards a BSIP model. The governance arrangements will need to be kept under review to ensure they comply with emerging regulations and guidance.
- 3.14 The establishment of the TAB sub-group mentioned in 3.2.3 will allow this aspect of Scottish Government’s ask to be discussed and advanced. The inter-relationship between an ESESCR Deal BSIP and other developing local authority BSIPs needs to be fully understood to ensure that duplication is avoided and the cohesive offer in terms of both regional and local transport needs is maximised. Good communication protocol with existing and emerging BSIPs throughout the SEStran region should be a priority for the Project Management Officer and/or the temporary resource used pending their appointment.

4. Financial impact

- 4.1 The City of Edinburgh Council will on behalf of the partnership act as the lead financial authority and will prepare and manage the required reporting information and submission of grant claims. They will be supported by the City Deal Programme Office and through the BPF/BSIP Programme Officer once appointed.

5. Alignment with Sustainable, Inclusive Growth Ambitions

- 5.1 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 interventions will 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

- 6.1 [Bus Partnership Fund website](#): Transport Scotland

7. Appendices

None.

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Edinburgh and South East Scotland City Region Deal Joint Committee

10am, Friday 3 September 2021

A720 Sheriffhall Roundabout

Item number 5.3

Executive Summary

The Edinburgh and South East Scotland (ESES) City Region Deal includes the following commitment – *“The Scottish Government is committed to investing £140m on strategic transport improvements as part of the City Region deal. This specifically includes up to £120m to support improvements to the A720 City Bypass for the grade separation of Sheriffhall Roundabout.”*

The proposed scheme is a grade-separated junction arrangement, which separates local traffic from the strategic traffic on the A720, that will provide high quality active travel facilities to address severance challenges and deliver a step change in accessibility for walking and cycling. It will also improve road safety, and will relieve the significant congestion, as well as journey times and journey time reliability for all road users.

At its meeting on 4 June 2021, the Joint Committee asked the Transport Appraisal Board (TAB) to review technical information in relation to the A720 Sheriffhall Roundabout Scheme and to report back regarding outstanding issues that may require to be addressed. In response, a special meeting of TAB was convened on 23 June 2021. Key issues discussed at the meeting are covered in this report which also sets out the TAB recommendations for consideration by the Joint Committee.

Dr Grace Vickers

Chair, ESESCR Deal Transport Appraisal Board

Alison Irvine

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A720 Sheriffhall Roundabout

1. Recommendations

- 1.1 The Joint Committee is asked:
 - 1.1.1 to note the high-quality active travel facilities associated with the Sheriffhall design which will address severance challenges and deliver a step change in accessibility for walking and cycling;
 - 1.1.2 to note the scheme will significantly enhance community connectivity;
 - 1.1.3 to note that the scheme will improve road safety;
 - 1.1.4 to note that the scheme will facilitate development, relieve significant congestion as well as improve journey times and journey time reliability for all road users;
 - 1.1.5 to note that partners, including SEStran and Transport Scotland, are committed to monitoring the impacts of the proposed scheme and to work together to address any unforeseen impacts on the local road network that can specifically be attributed to the Sheriffhall scheme;
 - 1.1.6 to note that partners will work together to seek to address cross-boundary issues, including on this key route in the region, in line with the NTS2 sustainable travel and investment hierarchies. Partners will do so through the emerging Regional Transport Strategy, STPR2 (including progressing the Phase 1 recommendation on Edinburgh Mass Transit), the Bus Partnership Fund, West Edinburgh sustainable transport improvements and other mechanisms as appropriate;
 - 1.1.7 to note that the scheme will provide opportunities for greater levels of movement by public transport, complemented by wider proposals being progressed by partners through the emerging Bus Service Improvement Partnership for the region and work to be progressed through the Scottish Government's Bus Partnership Funding award to the region;
 - 1.1.8 to note that the scheme provides additional ducting to facilitate future full signalisation and enable the future deployment of bus priority signal systems;
 - 1.1.9 to agree, following the further technical information provided and scrutiny of the A720 Sheriffhall scheme by the Transport Appraisal Board (TAB), to ratify

its support for the scheme as published in advance of progressing to any necessary Public Local Inquiry stage.

2. Background

- 2.1 The A720 Sheriffhall roundabout is currently the only junction on the Edinburgh City Bypass that is not grade-separated, which means the City Bypass is at the same level as the A7 and A6106 local approach roads. This at-grade, six-way junction, often experiences significant queuing, especially during peak hours.
- 2.2 The Edinburgh and South East Scotland (ESES) City Region Deal includes the following commitment – *“The Scottish Government is committed to investing £140m on strategic transport improvements as part of the City Region deal. This specifically includes up to £120m to support improvements to the A720 City Bypass for the grade separation of Sheriffhall Roundabout.”*
- 2.3 At the meeting of the Joint Committee meeting on the 4 June 2021 the TAB was asked by the Committee to review technical information in relation to the A720 Sheriffhall Roundabout scheme and to report back regarding outstanding issues that may require to be addressed. In response, a special meeting of TAB was convened on 23 June 2021. Key issues discussed at the meeting are covered in this report which also sets out the TAB recommendations for consideration by the Joint Committee.

3. Main report

Overview of the A720 Sheriffhall Roundabout Scheme

- 3.1 The proposed scheme is a grade-separated junction arrangement providing new high-quality grade-separated active travel routes across the junction for all approach roads that connect with the wider network. It separates local traffic from the strategic traffic on the A720, relieving the significant congestion at this location, improving road safety, journey times and journey time reliability for all road users. The scheme also facilitates planned development in the ESES region.
- 3.2 Improved operating conditions at the junction provide significant improvements in bus journey time and also reliability compared to the present, providing opportunities for operators to plan for improved services. The proposed scheme also provides additional ducting to facilitate future full signalisation and enable the future deployment of bus priority signal systems should partners desire.
- 3.3 Further to a request from partners, Transport Scotland undertook a review of the public transport and active travel elements with City Region Deal partners which confirmed that every practical opportunity had been taken to maximise the benefits of these elements within the proposed scheme whilst not creating additional impacts for local landowners, residents and business.
- 3.4 The active travel elements in the proposed scheme will provide high quality facilities to address severance challenges and deliver a step change in accessibility for walking and cycling.

National and Regional Context

- 3.5 Sheriffhall is an important part of the transport network in the South East of Scotland and sits within a wider national and regional context, as outlined below.
- 3.6 The grade-separation of Sheriffhall formed one of a number of recommendations of the first Strategic Transport Projects Review (STPR1) within the ESES region which together provided a multi-modal package of rail, park and ride and other interventions. The Forth Replacement Crossing was also brought forward, a key component of which was the Forth Replacement Crossing Public Transport Strategy with the Forth Road Bridge now providing a dedicated public transport corridor.
- 3.7 Transport Scotland is also taking forward the second Strategic Transport Projects Review which included Edinburgh Mass Transit as a recommendation in Phase 1 and separately provision of an Actively Managed Hard Shoulder for bus only over a section of the M8 and M9 motorways. Further detail on these can be found in Appendix A.
- 3.8 In addition, there are also on-going CRD and related regionally important activities as outlined below, further detail on which can be found in Appendix A:
- SEStran Regional Transport Strategy;
 - Bus Partnership Fund;
 - West Edinburgh Transport Improvement Project;
 - Easter Bush Roads proposals, including a sustainable transport corridor; and
 - Queen Margaret University (QMU)/Craighall Junction.
- 3.9 It is within this wider national and regional multi-modal package of interventions to enhance the operation and safety of the strategic and regional transport networks that the grade-separation of Sheriffhall is being taken forward to address issues on a key route in the region, supporting the communities and economies served by the A720.

Considerations discussed, recommendations and other planned actions to note

Considerations 1 - Interaction with Easter Bush Transport Proposals (A701 Relief Road and A702 Link Road)

- 3.10 Following the approval of the Easter Bush Business Case at the Joint Committee, Midlothian Council is currently considering potential impacts on the trunk road network arising from the A701 relief road and A702 link road.
- 3.11 There is a need to ensure that work on-going in relation to the A701 relief road takes into account the interaction between local and trunk road traffic in the vicinity of Straiton junction. This is to include consideration of the current and future knock on effects of queuing on the bypass from Straiton that impact the A720 Sheriffhall roundabout scheme.

- 3.12 Midlothian Council will continue to engage with Transport Scotland as the Council progresses their work on the A701 Relief Road and A702 Link Road to understand the implications for the trunk road network, including impacts on the A720 at the A720 Straiton junction arising from the relief/link road proposals which will include consideration of the A720 Sheriffhall grade-separation as a committed scheme.

Consideration 2 - Local Network Impact

- 3.13 The proposed scheme is expected to deliver significant benefits by providing high-quality active travel facilities to address severance challenges and deliver a step change in accessibility for walking and cycling. It will also improve road safety and will relieve the significant congestion as well as journey times and journey time reliability for all road users (including bus services) due to the improved traffic conditions on local roads resulting from the separation between strategic and local traffic.
- 3.14 Overall the proposed scheme is expected to reduce journey times and improve journey time reliability for A7 and A6106 traffic together with the A720. The design of the proposed scheme, together with the wider active travel and public transport benefits, should not lead to significant additional congestion on the local road network. The traffic model indicates there could be a 6% increase in traffic flows on A7 Old Dalkeith Road, north of B701, into Edinburgh which would be balanced by a decrease in traffic flows on the adjacent CEC routes. Partners, including SEStran and Transport Scotland, will monitor the impacts of the proposed scheme. Transport Scotland will do this in line with Scottish Trunk Road Infrastructure Project Evaluation Guidance.

Consideration 3 - Bus Priority at Sheriffhall

- 3.15 Specific consideration was given to bus priority through the Sheriffhall junction. However, improved operating conditions at the junction provide significant improvements in bus journey time and reliability, up to a seven-minute journey time saving depending on the route.
- 3.16 When there is no congestion on the proposed circulatory carriageway, there is no significant queuing on the approach roads and consequently the provision of bus only lanes would not offer additional operational benefits.
- 3.17 When congestion occurs on the proposed circulatory carriageway, providing a bus lane on the entries to the roundabout reduces the capacity for general traffic. This causes general traffic to queue back to the extent that it could result in buses that are queued beyond the limits of the bus lane on the approach road experiencing additional delays. The traffic models indicate this could occur in the PM peak period in 2024.
- 3.18 The proposed scheme includes traffic signals on the A720 off-slips to manage conflicting movements with traffic on the circulatory carriageway. The traffic modelling indicates that traffic signals are not required on the local road approaches to the roundabout based on predicted levels of demand.

- 3.19 Queuing on the A720 can extend through the proposed Sheriffhall roundabout. This is due to downstream congestion at A720 junctions to the west of Sheriffhall (not as a result of the proposed scheme itself), therefore full signalisation does not provide operational benefits to address this congestion.
- 3.20 The Public Transport and Active Travel Review noted that the junction structures are designed to accommodate future potential bus priority or tram provision within the extents of the proposed Scheme.
- 3.21 City Region Deal Partners and SEStran will consider regional bus priority through the Bus Priority Fund and emerging Bus Service Improvement Partnership(s) alongside other sustainable transport options including funding opportunities as they arise.

Next Steps/Timetable

3.22 Key next steps include:

- Transport Scotland will continue to progress work to look at the wider benefits of the proposed scheme.
- Transport Scotland will continue to respond to representations made to the draft Orders and Environmental Statement.

3.23 Key milestones are anticipated, at this time, as follows:

- **Public Local Inquiry:** Early 2022, subject to ongoing negotiation with objectors and ratification of City Region Deal Partners' support for the scheme
- **Ministerial Decision:** Late 2022.
- **Tender Period commences:** Spring/Summer 2024 (subject to completing the necessary statutory procedures).
- **Contract Awarded:** Spring 2025.
- **Construction Commences:** Summer 2025.
- **Scheme open:** Late 2027.

4. Financial impact

4.1 The City Region Deal, signed in 2018, includes a commitment by the Scottish Government of up to £120m to support improvements to the A720 City Bypass for the grade separation of Sheriffhall Roundabout. Any financial risk to deliver the project sits with Scottish Ministers and not the City Deal partners.

5. Alignment with Sustainable, Inclusive Growth Ambitions

5.1 The proposed A720 Sheriffhall scheme will provide a significant strategic contribution to the City Region Deal Themes 1 (Accelerating inclusive growth), 2 (Removing the physical barriers to growth) and 4 (Targeted employability and skills interventions).

5.2 It will also provide opportunities for greater levels of movement by public transport, complemented by wider proposals being progressed by partners through the

emerging Bus Service Improvement Partnership for the region and work to be progressed through the Scottish Government's Bus Partnership Funding award to the region.

- 5.3 The multi-modal design of the proposed scheme will also help facilitate the delivery of future transport projects such as the proposed Orbital Bus route (east/west along the A720 and currently part of a bid to the Bus Partnership Fund, October 2021) and the potential south-east extension of the Edinburgh tram network to Dalkeith.
- 5.4 In addition, during the construction phase, the community benefit arrangements will provide opportunities for local employment and training.
- 5.5 An environmental assessment was undertaken and an Environmental Statement published by Transport Scotland in December 2019 for formal comment.

6. Background reading/external references

- 6.1 Further background/reading includes the following:
 - 6.1.1 [City Region Deal: Accelerating Growth Agreement](#), August 2018
 - 6.1.2 [A720 Sheriffhall Roundabout Junction Upgrade Scheme Joint Committee Paper](#), 6 March 2020
 - 6.1.3 [Draft Orders and Environmental Statement - A720 Sheriffhall Roundabout scheme](#), Transport Scotland, December 2019
 - 6.1.4 [A720 Sheriffhall - Public Transport & Active Travel Review Report](#), Transport Scotland, December 2020
 - 6.1.5 [Second Strategic Transport Projects Review \(STPR2\)](#), Transport Scotland
 - 6.1.6 [Consultation on Actively Managed Hard Shoulder and Speed Limit Regulations 2021 - Consultation Report](#), Transport Scotland, March 2021
 - 6.1.7 [Scottish Trunk Road Infrastructure Project Evaluation](#), Transport Scotland

7. Appendices

Appendix A – National and Regional Context – Additional Information

National Context Additional Information

- 7.1 **Actively Managed Hard shoulder on the M8 and M9** - Transport Scotland has also consulted on the provision of an Actively Managed Hard Shoulder for bus only over a section of the M8 and M9 motorways. This is expected to reduce bus journey times and improve reliability, particularly at Claylands (Junction 2 M8) and on approach to Hermiston Gait (Junction 1 M8).
- 7.2 **Second Strategic Transport Projects Review (STPR2) and Phase 1 Edinburgh Mass Transit** - Transport Scotland is also taking forward STPR2 which will inform transport investment in Scotland for the next 20 years. Phase 1 recommendations, published in February 2021, focussed on sustainable travel and included specific reference to Edinburgh Mass Transit and continued engagement on this as proposals progress. STPR2 Phase 2 will be published for consultation later this

year. Regional Partners are engaged through the ESES Regional Transport Working Group and also represented on the Regional Reference Group.

Regional Context Additional Information

- 7.3 **SEStran Regional Transport Strategy (RTS)** - The RTS provides the statutory and strategic framework for local transport plans, setting out an integrated regional vision for transport. A new RTS 2022-35 is currently under development. It will support interventions that continue to meet policy requirements, such as public transport priority and access.
- 7.4 **Bus Partnership Fund** – The ESES City Deal, has recently been awarded £3.03m of Bus Partnership Funding (and this is fully covered in a separate paper to this Committee in agenda item 5.2). The award will allow two key streams of bus work to be advanced. Firstly, £1.45m of Quick Win infrastructure projects across the region which are aimed at improving bus journey times. Secondly, advancement of a region wide Strategic Appraisal and Outline Business Cases (£1.4m) which will include further work on the Scottish Borders/Midlothian and East Lothian corridors.
- 7.5 **West Edinburgh Transport Improvement Project (WETIP)** – This project aims to maximise mode shift to sustainable forms of travel through the implementation of cycling, walking and public transport infrastructure projects. It specifically focuses the A8 corridor and cross-boundary connectivity to the west.
- 7.6 **Easter Bush** – The A701/A702 road proposals are part of a wider package aimed at facilitating planned development. They include a sustainable transport corridor along the existing A701 and new and reconfigured junctions on the A702/Bush Loan, A703 and the A720/Straiton, connecting the local and trunk road networks and facilitating improved accessibility between Midlothian, Edinburgh and other destinations across southeast Scotland. These proposals in tandem with Sheriffhall will represent a significant opportunity to develop a more sustainable transport network and influence more sustainable travel choices and future policy initiatives.
- 7.7 **Queen Margaret University (QMU)/Craighall Junction** – The proposed Scheme involves the construction of a full grade-separated junction that will provide access to the City Deal’s Edinburgh Innovation Park project, QMU campus and facilitate development to the south. The proposals also include for the provision of walking and cycle paths. The Scheme will remove the need for northbound traffic to travel southbound to u-turn at the A720 Old Craighall/A1 junction upstream of Sheriffhall.

Edinburgh and South East Scotland City Region Deal Joint Committee Meeting

10am, Friday 3 September 2021

Regional Prosperity Framework – Final Version

Item number 5.4

Executive Summary

This paper provides: an update on the Regional Prosperity Framework consultation process; key feedback received from the consultation; and the proposed final version of the Framework. Finally, it outlines the expected timetable for developing the action and implementation plan. The final version of the Regional Prosperity Framework will be subject to formal endorsement by Edinburgh and South East Scotland City Region Deal partners.

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Regional Prosperity Framework – Consultation Update

1. Recommendations

1.1 It is recommended that members:

1.1.1 Note the overall number of responses and the major themes that have emerged from the public consultation (both formal submissions and interactive online sessions);

1.1.2 Approve the full final version of the Regional Prosperity Framework as provided at Appendix 1;

1.1.3 Note that each City Region Deal partner will seek formal endorsement and support for the Framework;

1.1.4 Agree the following next steps:

- preparation of implementation and action plan to support delivery; and
- preparation of a prospectus version of the Regional Prosperity Framework to showcase the region as a location for investment.

2. Background

- 2.1 Through the Edinburgh and South East Scotland City Region Deal, the Scottish and UK Governments committed to embarking on a new relationship. The Deal has demonstrated that partners can collaborate effectively to deliver cross-regional projects, create future regional infrastructure and strategically co-ordinate transport, housing and economic development. The Edinburgh and South East Scotland city region is Scotland's greatest economic asset. For our local, regional and national wellbeing, Scotland must maximise the potential and opportunities that exist in Edinburgh and South East Scotland.
- 2.2 The decision to prepare a 'Regional Growth Framework' was taken in [September 2019](#), prior to COVID-19 and the United Kingdom's exit from the European Union. Ambitions and action on climate change have also intensified and come more to the fore, with COP26 also due to take place later this year. In a very short period of time there has been significant change in the world that has impacted, and will continue to impact, our regional economy and our way of life in an unprecedented way.
- 2.3 The Regional Prosperity Framework was approved for consultation by the Joint Committee on Friday 4 June 2021. The consultation period ran from Monday 14 June until Monday 26 July (6 weeks) and included a number of ways for respondents to contribute their views.

3. Main report

Overview of Consultation Responses

- 3.1 In total 71 responses were received through the consultation portal, or by email submission. The breakdown of these by geography is shown below:

Table 3.1 – Breakdown of Consultation Respondents by Geography

Table 3.1 – Breakdown of Consultation Respondents by Geography		
	Number	%
City of Edinburgh	23	32
East Lothian	3	4
Fife	2	3
Midlothian	13	18
Scottish Borders	11	15
West Lothian	2	3
Regional (ESES)	2	3
Regional (non-ESES)		
National	15	21
Other		

- 3.2 In addition to the formal consultation, two additional online engagement sessions were organised. These informal events engaged around 47 individuals from around the region. The sessions were anonymous. Table 3.2 shows the geography of those respondents that took part in the online engagement.

Table 3.2 – Breakdown of Online Participants by Geography		
	Number	%
City of Edinburgh	20	42
East Lothian	3	6
Fife	8	17
Midlothian	4	9
Scottish Borders	7	15
West Lothian	1	2
Other	4	9

- 3.3 The online events were anonymous and there is therefore no detailed information about respondents' characteristics. The session introduction made clear that those taking part were doing so as individuals.
- 3.4 The major emerging themes from the consultation are summarised below. Detailed analysis and proposed amendments to the Framework to address the matters raised is being finalised.
- **Travel** – including detailed feedback from Transport Scotland, also relates to environment
 - **Environment** – including Nature Scot.
 - **Society/Place** – including feedback from Scottish Government More Homes Division and NPF4 teams; Scottish Enterprise; Creative Scotland; and Homes for Scotland.
- 3.5 The online engagement events surfaced similar themes including:
- **People & Workforce** – access to skills and training is key, including upskilling and apprenticeships (perhaps with an emphasis on “green skills”), access to jobs, addressing skills shortages, developing transferable skills. The wider context of EU Exit and Covid-19 as significant threats to future workforce stability and opportunities was highlighted.
 - **Environmental** – appetite to place environmental sustainability more centrally in the vision and document (including development of microgrids, response to climate emergency;
 - **Place & Transport** – quality of place; pride in place and a positive legacy; successful economy, access to affordable housing, changing patterns of travel accelerated by the Covid-19 pandemic;
 - **Wellbeing** – including fair work, active travel / core path improvements, addressing (fuel and other) poverty recognising the link between poverty and poor health, community wealth building, and the need to create better career paths in the care sector in order to meet our future care needs as a society;
 - **Equality** – and a desire to see a fairer region.
- 3.6 The latest version of the Framework has sought to incorporate the major themes above and where appropriate specific feedback and comments made by individual participants and on behalf of organisations.

Governance

- 3.7 The Regional Partners seek Joint Committee approval on the Final Regional Prosperity Framework, and to subsequently seek ratification from their respective organisation committee/court.

Next Steps

- 3.8 Subject to Joint Committee approval of the final version of the Regional Prosperity Framework, partners will progress with work on an implementation and action plan to support delivery of the Framework; and develop an investment prospectus.
- 3.9 Next steps will be developed in collaboration with Elected Member Oversight Committee members.

4. Financial impact

- 4.1 Work has been undertaken to date by the Thematic Leads Officer Group.
- 4.2 Consultancy support in place, paid for by monies received from Scottish Government and £30k SESplan rebate carried over into this financial year

5. Alignment with Sustainable, Inclusive Growth Ambitions

- 5.1 The Regional Prosperity Framework builds on the City Region Deal ambitions of delivering inclusive growth and seeks to deliver a holistic economic framework that will provide the basis for economic recovery post-pandemic and future direction for major projects and investment that support inclusive growth and transition to a net zero economy over the next 20 years.

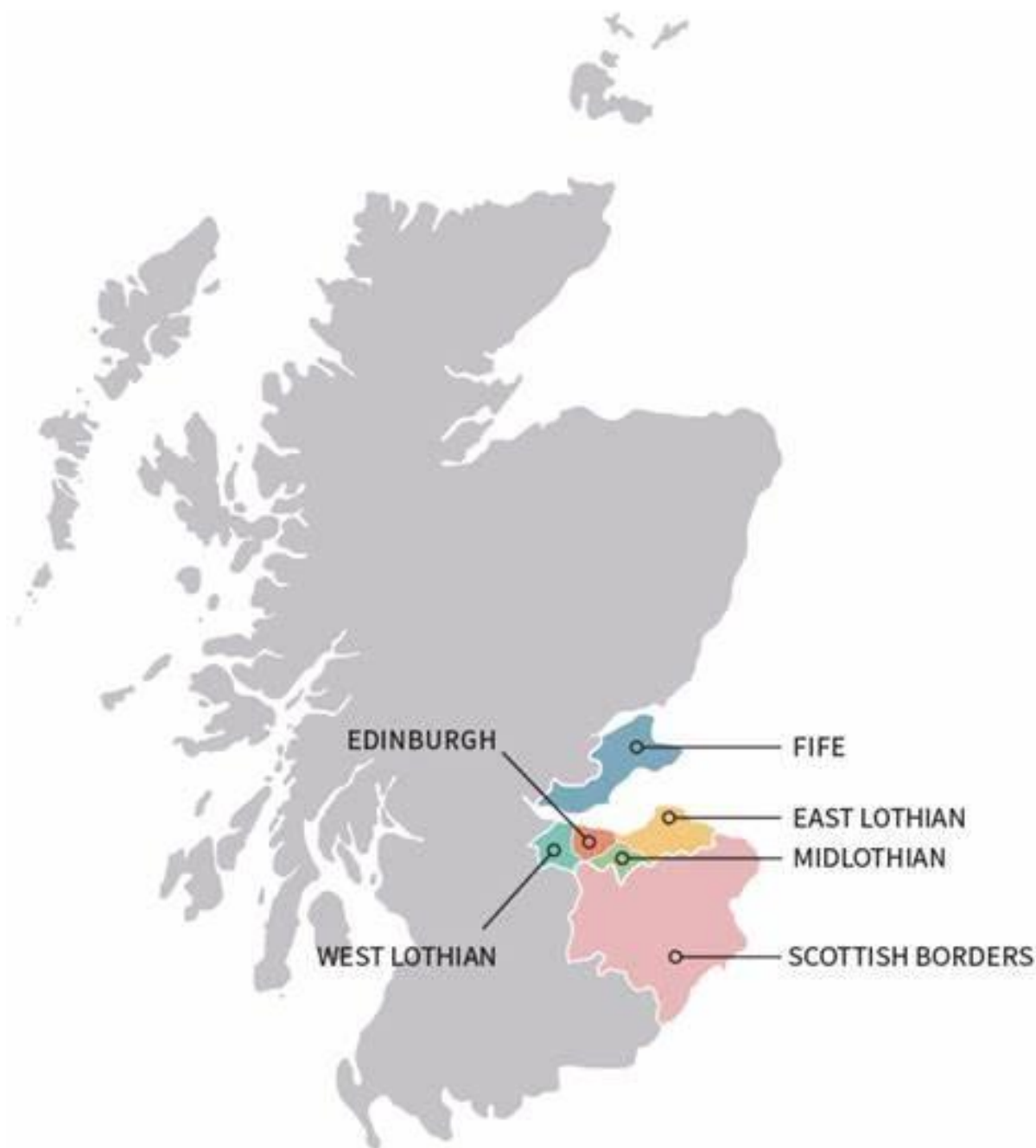
6. Background reading/external references

- 6.1 [Regional Prosperity Framework - Consultation Draft](#) - Edinburgh and South East Scotland City Region Deal Joint Committee, Friday, 4th June 2021

7. Appendices

- 7.1 Regional Prosperity Framework – Final Draft Version

Edinburgh and South East Scotland Regional Prosperity Framework (2021 – 2041)



Final Report for Joint Committee Consideration – 3rd
September 2021

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EXECUTIVE SUMMARY

The Edinburgh and South East Scotland (ESES) city region has an extraordinary platform to build on. The region, home to 1.4m people, of whom 65% are of working age, hosts a strong economy, incredible natural assets, world class educational institutions and cultural programmes, and diverse and innovative private and third sector businesses. The region delivers approximately 30% of Scotland's total economic output from a diverse industry base.

While the platform for the future is strong, there are a number of challenges that must be addressed to support future development. These include: the recovery from Covid-19 and its economic and social impact; addressing inequalities across the region; and delivering a just transition to a net carbon zero economy, responding to the Climate Emergency declared by Scottish Government in April 2019.

Partners across the region have been working hard to deliver on the City Region Deal that will bring investment of £1.3bn over a 15-year period. Partnerships across the region have been strengthened as a result of closer working that the City Region Deal has brought, allowing our collective and individual priorities to be articulated more clearly than ever before. It has helped us to develop a mechanism by which we are able to deliver on the key needs of our citizens. In developing this Framework, partners have articulated a vision for what they hope to achieve collectively through this approach.

Our Vision

Our aim is to become the data capital of Europe. We will ensure the social and economic benefits of this capability **extend to all**. All sections of the community will have the opportunity to develop the **key skills that will help to end inequalities in our society**. We will **protect our environment and make best use of our extraordinary built and natural assets**, ensuring that the Edinburgh and South East Scotland City Region delivers a just transition to a net zero economy. **Our institutions, ancient and modern, will deliver positive outcomes that enhance our local, national and international reputation.**

At the heart of the Framework are three key components: delivering a future society that is **resilient, flourishing and innovative**.



The challenges of Covid-19 have highlighted the need for **resilience** to ensure that our citizens have the support they need to respond quickly to the key issues in our communities.



Flourishing because we need to design a society and economy that works for everyone. The inequalities across our region must be tackled head-on by this work



The ESES region was home to the Scottish Enlightenment and now has a unique opportunity to build on the investment from the Data Driven Innovation programme. We must embrace the spirit of **innovation** found across our communities and businesses and direct this to solving a wider range of challenges

While this document mentions the economic successes of the region and plans for future growth, it also recognises the need for the environment, inequalities, well-being and quality of life to be prioritised. The region regularly tops UK city lists for quality of life¹, but there are significant challenges we must address

¹ For example https://www.numbeo.com/quality-of-life/country_result.jsp?country=United+Kingdom

within our communities to support all our citizens. In order to build this society, there are a number of key initiatives reflected within this document. This includes the need for critical infrastructure to enable this development. It also includes how we will protect the environment and support individuals to maintain the sense of community through a neighbourhood approach that helps maintain the culture, identity and vibrancy throughout our communities. Partners recognise that each forward step we take must be imbued with the need to reduce our carbon emissions impact and to reduce inequality across our region.

This Framework alone is not a silver bullet to deliver our vision. Our recommendations on collaborative working, engagement and the infrastructure must be backed up by action, and it must continue to be updated to reflect our changing circumstances. To deliver on these outcomes will require government and city region partners to work differently.

Our region's attractiveness and existing strengths both as a place to do business and where to enjoy an unrivalled quality of life provide an incredible platform from which a prosperity framework can be launched to ensure that the region's successes are enjoyed by all residents. However, it also recognises the challenges faced by the region to remain competitive on a global scale. To achieve this, there are a few critical elements that this framework must deliver:

- 1) **What, not how.** This document sets out a strategic vision. It helps to define the future that the region aspires to. This document will be supported by subsequent action plans that articulate the "how" of delivery. These will be delivered within 4 months of the publication of this framework.*
- 2) **Leading to Deliver.** The future state, as defined by the "big moves" that will cement the reputation of the region, will only be achieved by effective use of our major infrastructure to support delivery. This will require strong leadership to ensure cross-boundary benefits are delivered. These moves are captured at the end of this Summary.*
- 3) **Playing to Our Strengths.** These moves (also captured in the image below) capitalise on the competitive advantage of our world class data infrastructure to deliver the society that our citizens demand.*
- 4) **Taking Complex Decisions.** Our leaders must make a number of challenging and complex decisions which must be transparent to support the public's understanding of how these choices have been made.*
- 5) **Working Together.** This framework shows a region of different communities, geographies and populations working together to deliver a future that works for its people and businesses. The commitment from each local authority in helping define this vision has been absolute.*

We have identified 9 major regional opportunities – "The Big Moves". The diagram below highlights how the 9 "big moves" (which we explore in Section 8) mesh together to benefit our people, places and planet and can be delivered by building on the major enablers across our region. Within each of our big moves, we have included illustrative projects to deliver the big moves. Details of each are included in Section 8.

OUR BIG MOVES	Data Capital of Europe <ul style="list-style-type: none"> • <i>Agri-tech and Healthcare</i> • <i>Fintech</i> • <i>DDI across key sectors</i> • <i>Usage of Infrastructure</i> 	Re-thinking Our Place <ul style="list-style-type: none"> • <i>Sustainable approaches</i> • <i>Society & business</i> • <i>Regenerating High Streets</i> • <i>Regional Spatial Strategy</i> 	Sustainable Transport <ul style="list-style-type: none"> • <i>Rail network</i> • <i>Waverly transformation</i> • <i>Regional Mass Transit</i> • <i>Active travel</i>
	Regenerating the Forth <ul style="list-style-type: none"> • <i>Forth Ports Freeport/ Greenport programme</i> • <i>Regeneration of Edinburgh Waterfront</i> • <i>Cockenzie Regeneration and Blindwells</i> 	Sustainable Tourism & Culture <ul style="list-style-type: none"> • <i>Regional tourism network</i> • <i>Fair working principles</i> • <i>Edinburgh Festivals</i> 	Supporting Enterprise <ul style="list-style-type: none"> • <i>Innovation ecosystems</i> • <i>Support for young people</i> • <i>Wellbeing at heart of recovery</i>
	Aligning Skills <ul style="list-style-type: none"> • <i>Future skills</i> • <i>Digital skills</i> • <i>Addressing shortages</i> • <i>Employer skills</i> 	Re-Inventing Healthcare <ul style="list-style-type: none"> • <i>Usher Institute</i> • <i>Advanced Care Research Centre</i> • <i>BioQuarter</i> • <i>Strong regional partners</i> 	Anchor Institutions <ul style="list-style-type: none"> • <i>High local impacts</i> • <i>Sustainable employment</i> • <i>Reputational pull</i>
ENABLER	INFRASTRUCTURE		
	PEOPLE AND ORGANISATIONS		

Figure 1 – Regional Prosperity Matrix

Our Major Regional Opportunities are inter-dependent and will require careful design to maximise delivery potential. We have also included within each opportunity explicit references to the projects for each of these within Section 8.

This document represents our statement of intent for the future of the region. The delivery of this vision will be enabled by a number of tangible pieces of work, some of which are highlighted in the table above. Each activity that helps to deliver this vision must contribute to the environmental journey and must help us to eradicate poverty in our region. Where activities fail to support either of these ambitions, we must take action to address this.

FOREWORD - REGIONAL PROSPERITY FRAMEWORK

Why Prosperity?

Prosperity reflects our ambition of a future that works for everyone. Economic success must not be at the expense of our planet, it must not exploit or marginalise anyone, and it must be shared more equally across the region.

This focus on a prosperous region benefitting all is what underpins the Framework.

The Framework is intended to be a document that articulates the long-term aspirational goals for Edinburgh and South East Scotland to **guide the future direction** of regional economic and wider policy across stakeholders. It seeks to set an ambitious **20-year vision** for the regional economy, up to 2041.

The region has always been a key part of, and of critical importance to, the Scottish and UK economy. It was home to the Scottish Enlightenment where leading thinkers influenced and innovated global thinking across fields such as science, medicine, engineering, agriculture, botany, zoology, law, culture, philosophy and economics. We must lead and initiate change again. We have world-class resources, institutions and talent and, more than at any other period of recent history, need to utilise these in working together to address our challenges and opportunities in an integrated, sustainable and equitable way.

Building on the successful regional partnership that is delivering the £1.3bn Edinburgh and South East Scotland City Deal, the Framework aims to set out a broader, ambitious joint approach to regional collaboration. It seeks to identify how partners in the region can build on other significant investments, such as those supported through the City Region Deal to further improve the way the regional economy functions, particularly in a post COVID-19 environment. It has been developed with input from public, private and third sector organisations. It aims to address the region's challenges and opportunities to make Edinburgh and South East Scotland a better place to live, work, study, visit and invest for current and future generations.

The Framework will be non-statutory, but it will be a **public statement of Regional Collaboration, with a wide range of partners coming together to support an agreed vision, ambition and priorities** for Edinburgh and South East Scotland. This level of regional collaboration needs all those able to contribute to the growth of the region to use the Framework to shape their individual and collective local, regional and national plans and strategies. Our nine major regional opportunities in Section 8, are an indication of the nature of our ambition for transforming the region.

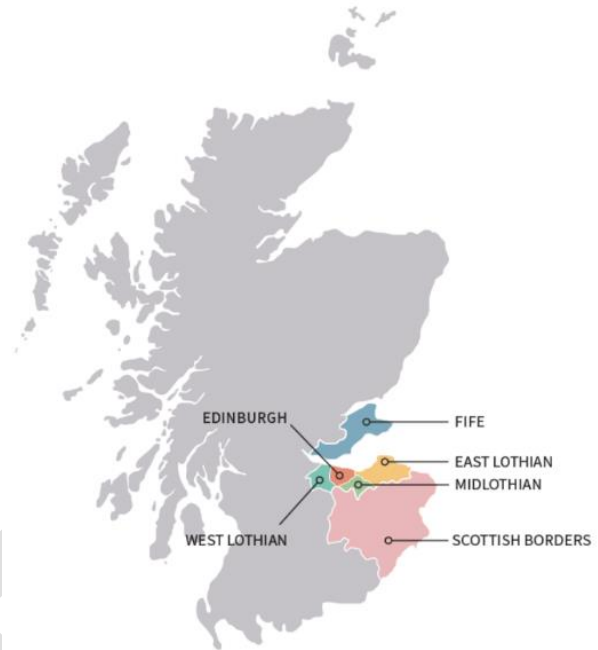
The development of the Regional Prosperity Framework requires impactful collaboration between Government(s), national agencies and regional partners to drive prosperity that promotes greater equity. An empowered Regional Economic Partnership, as envisaged by the Scottish Government's Enterprise and Skills Review, would provide business and the third sector, regional partners, including higher and further education, and national agencies practical influence over regional economic planning.

Recognising the significant changes that the region and Scotland as a whole face in the next few years, the Framework will be flexible and adaptable. As such, it will be subject to regular review and update over its lifetime, and parts of it will also be kept 'live' to take account of and to allow responses to very rapid change.

1. WHO ARE WE?

The Edinburgh and South East Scotland City Region comprises around 10% of the Scottish land mass and with a population of 1.4 million, around 26% of Scotland's population. It is also a key driver of the Scottish economy.

However, given the scale of the region, it is also a place of vast diversity. The circumstances and experiences of places are very different. This is true at the local authority level with marked differences, for example, between respectively the urban and rural contexts of City of Edinburgh and the Scottish Borders; attached as Appendix 3 is a summary of some of the unique characteristics of each of the 6 Council areas that make up the region. It is also true at the local level with significant differences between neighbouring places in the same localities.



This Framework has been developed by a range of organisations who recognise the significant benefits of coming together and working collaboratively to support the best possible future for the region. Key partners include the Edinburgh City Region Deal signatories (the six local authorities, together with regional universities, colleges and the Regional Enterprise Council, UK and Scottish Governments), as well as a range of other organisations with a key role in the Region such as Scottish Enterprise, Skills Development Scotland, South of Scotland Enterprise and SEStran.

2. WHY ARE WE WORKING TOGETHER?

Through our highly successful City Region Deal in Edinburgh and South East Scotland, we are already working in a co-ordinated way and are seeing the clear benefits achieved by partnering together. It is the stated ambition of Scottish Government for Regional Economic Partnerships to draw upon growth deals to further maximise the benefits that arise when local authorities work together and with national agencies, universities and colleges, the third sector and the private sector. The Scottish Government believes that REPs bring together regional interests, focussing and aligning resources, sharing knowledge, and identify new joined-up plans to accelerate inclusive economic growth at a local, regional, and national level. We share the Scottish Government’s ambitions for regional working and believe that the Edinburgh and South East REP can set the example for other partnerships elsewhere in Scotland by deepening and expanding collaborative working in the months and years ahead.

To secure the best possible future for the region the public, private, voluntary and education sectors now see an opportunity to work more effectively to deliver greater collective impact. There is a lot that connects the different parts of the region, with interdependencies in areas including labour markets, housing markets, transportation and supply chains. The City cannot succeed without the wider region and vice versa. Against this background, the Edinburgh and South East Scotland region, like other regions across Scotland, is facing a period of unprecedented challenge and opportunity.

We have a shared duty to address the interrelated challenges of climate change, sustainability, biodiversity loss, inequalities, health and well-being, and the need to create new jobs and businesses while enabling a just transition to a net zero economy by 2045.

To face our current challenges, we need to rebuild our economy so that it supports:



People – to access fair work, to learn and develop new skills and to live happy and healthy lives



Places – that are sustainable, and attractive to live and work in and where enterprise thrives



Planet – meeting our needs in a way that will allow future generations to meet theirs, with a focus on reduction of greenhouse gas emissions (sustainability).

We need to do this against the backdrop of the UK’s exit from the European Union (EU), and the global COVID-19 pandemic. We need to collaborate to enable a net zero recovery and to address our shared and interrelated challenges. Business as usual is not an option, as the cost of inaction will be too great. We need to think globally, act locally, and meet our needs in a way that allows future generations to meet theirs. Feedback from the public consultation has emphasised the need to prioritise environmental choices that must be central to the region’s identity.

Our next step, through the development of this Regional Prosperity Framework, is to agree common goals and to work together to achieve them. This will allow us to develop a shared understanding of how the region can make a more significant contribution to the Scottish and UK economy, and highlight the important role each region, sector and organisation can play individually and collectively in realising the region’s potential.

To achieve this the Regional Prosperity Framework will be used as a basis to guide and integrate public, private and third sector decisions, actions, collaborations, strategies, policies and investments across areas such as **sustainability, climate change, energy, transport, planning, housing, infrastructure, education, digital, services, equalities, well-being, economic development, procurement and delivery.**

3. HOW DID WE GET HERE?

Our Region before the UK Exit from EU and Covid-19

Ambitions to deliver economic growth, particularly in our region, tasked successive regional strategies to accommodate more development and increase our population. The pace and scale of this change, and environmental and infrastructure constraints, meant economic development had to be distributed across more of the region to meet growth requirements. Whilst this approach has been successful in some cases, not all our communities have equally benefitted from the work so far. Some parts of the region continue to be among the mostly poorly performing parts of the country when measured according to conventional economic measures such as GVA, while others have seen negative impacts from growth such as overheated housing markets. Within the City and across the region there are stubborn pockets of economic under-performance, inequalities and deprivation.

Areas of deprivation often exist where industries have declined and were not replaced. Comprehensive development programmes did not deliver mixed, sustainable communities, while other areas have never experienced sustained programmes of economic support. This mixed picture is also reflected in the strength of town centres across the region, with some more than others impacted by changing retail patterns, behaviours and trends, and out of centre retail locations, further deepening inequalities.

The region's outstanding higher education institutions are located in key strategic locations across the region, and its further education institutions serve their local communities. The 2016 BEIS-funded Science and Innovation Audit² highlighted the regional opportunity around data science and innovation. This was the foundation for the development of the Data-Driven Innovation (DDI) Programme, which set the differentiating vision for Edinburgh and South East Scotland as the **Data Capital of Europe**.

The Universities of Edinburgh, Heriot Watt and Queen Margaret University extended to locations on the southern and eastern edges of Edinburgh to create innovation clusters. This has enabled wider collaborations with the public and private sector to improve public and commercial service delivery.

West Lothian have strategic plans in the pipeline to capitalise on the advanced technology and manufacturing industry for potential university presence in the years to come. It is crucial that this builds on the supported growth of key data-driven innovation sectors, including: public services, finance and fintech, insurance, artificial intelligence and robotics, and bio, health and life science, food and drink and agricultural innovation.

Colleges have a crucial role to play in facilitating skills and process innovation activity to support local and regional economies and increase productivity across Scotland. Colleges will continue to build on their positive relationships with SMEs and give those enterprises opportunities to develop new and innovative business processes.

Through their close working with industry and individual business, the region's colleges have a vital part in supporting business development and sustainability, enabling the sector to play a role in supporting the region's research and innovation economy and positioning them to make a difference to future prosperity, building on existing work in this space around emerging skills needs, areas of innovative economic growth and the green recovery.

There has been notable growth in other key economic sectors such as services and freight and logistics, particularly beyond Edinburgh. Generally, though, the pattern has been a decline in traditional industries and reuse of former industrial sites for housing. Across the region many industrial premises are ageing and require adaptation or replacement to meet current and future needs.

Agriculture, horticulture, fishing, forestry and food and drink remain important regionally, with strong international reputations. tourism offer is genuinely world class but most activity is focused on Edinburgh's

² See [Audit points to city and region's digital potential | The University of Edinburgh](#)

city centre, putting a strain on infrastructure and assets. This overshadows the wider regional tourism offer and undermines the potential for linking our cultural, natural heritage and leisure tourism assets and workforce in a more compelling and integrated way.

House prices are unaffordable to many, particularly in areas within easy commute to central Edinburgh. A number of key settlements across the region expanded significantly in response to housing need and mobile demand, but jobs did not follow. Employment density has remained low outside the City of Edinburgh. Housing demand, and prices, are high across the whole region, and there is a need to significantly increase the supply of affordable homes with a wider range of house types, sizes and tenures including mid-market rent and specialist housing.

Housing-led regeneration has been successful where aligned with wider interventions, programmes and investments, including job creation, skills development and training, but less so where such approaches were not followed. Access to land and funding for affordable housing delivery is and will be a significant factor in influencing where people can live, and if and how they can access opportunities and amenities in future.

Whilst the growth of the region has brought much success, in-commuting (commuting with the City Deal boundary) and greenhouse gas emissions have increased and contributed to transport accounting for 37% of Scotland's greenhouse gases. Combined with the increased pressure on infrastructure and services it has contributed to pressure on the environment and sustained inequalities, and in some places widening them. More can be done to improve well-being, accessibility, connectivity and productivity. These factors are replicated across Scotland and contributed to the Scottish Government's declaration of a climate emergency in April 2019.

There are high levels of transport poverty³ across the region, even pockets in Edinburgh (please refer to the Transport Poverty Map in Appendix 2 from SEStran RTS Main Issues Report – June 2020), reflecting the high cost of transport, poor connectivity, which all contribute to the reliance on the private car exacerbating the barriers to employment, training and education. This has an impact for cross-regional travel, presenting an issue for individuals on entry level wages requiring public transport. This is reinforced by the Workforce Mobility Deprivation Index that is a blend of 4 SIMD factors affecting citizen access to employment, training and education.

Different issues and opportunities mean that a one-size-fits-all approach across all six local authority areas would not make sense. Complexity has been increased with the home/blended working response from Covid 19. Detailed transport issues, that take account of Covid 19, are captured in Strategic Transport Projects Review 2 – Edinburgh and South East Scotland Case for Change, SEStran RTS Main Issues Report – June 2020 and the regional partner's Main issues Reports to support the development of national, regional and local Transport Strategies and Mobility Plans. The extent to which we can adapt and be more resilient and successful in future will depend on how effectively we transition. Collaborative working will be an important part of the response.

The Framework must not only be sensitive to the distinctiveness of places, its goal is to create a framework which responds to our differences, enabling us to marshal capacities and assets across our region more effectively to meet challenges and make the most of opportunities.

³ Transport poverty is disadvantage experienced by those who are disproportionately affected by high transport costs compared with their income, lack of suitable transport options or service accessibility that impacts on the ability to access employment, education, amenities or services

4. WHERE ARE WE NOW?

OUR CURRENT REGIONAL ECONOMIC PROFILE

The following section summarises some of the region's key economic and demographic trends as well as infrastructure assets and sectoral strengths. This information is drawn from the technical annex and from other relevant contextual documents, including the City Regional Deal document.

Figure 1 – Economic Overview



Prior to the COVID-19 pandemic, the Edinburgh and south east Scotland economy was performing strongly, with a level of growth that exceeded the Scottish average. Overall, the region was contributing approximately £36 billion per year to the Scottish and UK economies through its diverse economy.

The distinctiveness of Edinburgh and South East Scotland's culture, history and tourism offer continued to draw visitors from across the world. In 2020, the total GVA for the region was £38,365 million, accounting for 30% of the Scottish total GVA output. This is an increase of 7.5%, or £2,676 million, from 2010. This also accounts for roughly 2.2% of UK GDP, highlighting how the region continues to outperform expectations.

A key factor contributing to the region's economic output is the strength of its key sectors. Across the City Region, GVA in 2020 was primarily driven by the following key sectors: Finance and Business Services; Health and Social Care; Engineering; and Digital. Each of these top performing sectors have continued to operate throughout the COVID-19 pandemic, with heightened demand and increased opportunities emerging in Health and Social Care and Digital Technologies.

Despite significant strengths, sectors such as manufacturing, hospitality & tourism and creative industries in the region have been especially impacted by COVID-19. In addition, the region is composed of local authorities with varying levels of socio-economic resilience, based on Oxford Economics Vulnerability Index. The vulnerability index provides an indication of how well equipped a local authority is to withstand the economic shocks resulting from COVID-19, by considering its economic diversity, business environment and digital connectivity.

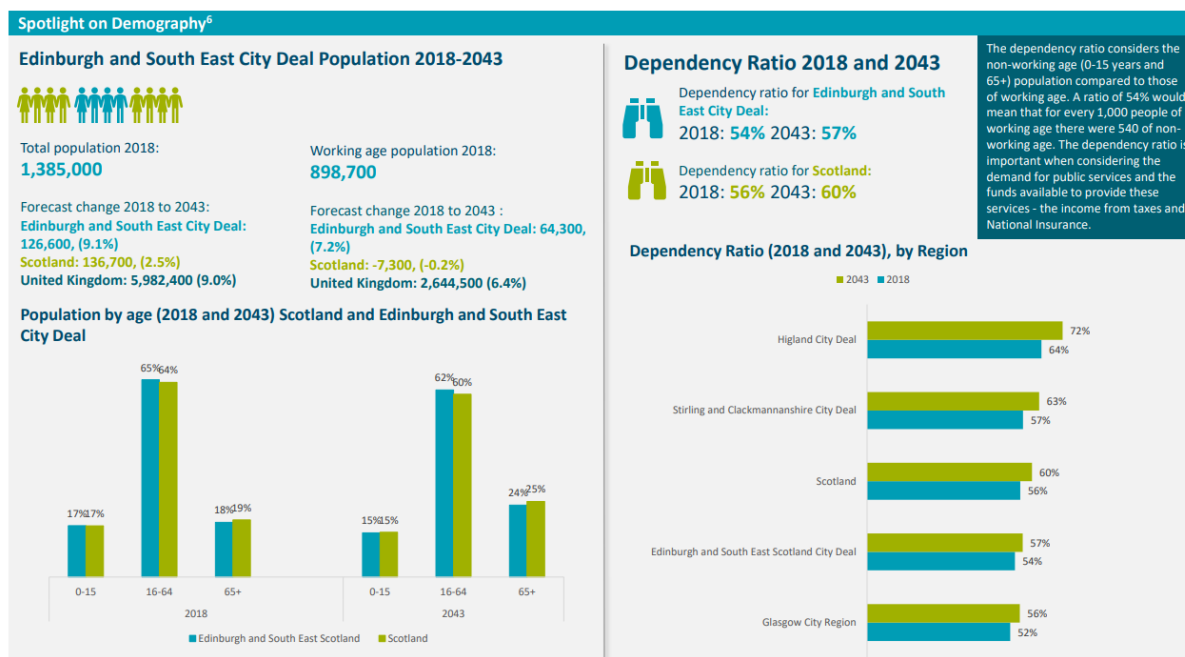
Local authorities across Edinburgh and South East Scotland with a lower share of small businesses, self-employment and reliable digital connectivity tend to be most resilient, such as the City of Edinburgh and Midlothian, which are the 1st and 4th most resilient local authorities in Scotland respectively. Other local authorities such as the Scottish Borders (the 3rd least resilient local authority area in Scotland), however, have lower levels of resilience due to poor connectivity and lower rates of home working, with a relatively high number of small businesses and individuals who are self-employed.

Despite the economic impact of COVID-19 across the City Region, economic growth is forecast to continue with average annual growth projections from 2020-2030 suggesting a growth rate of 2.4%. This is higher than the average annual growth projected for Scotland as a whole.

Demographics

The area is home to almost 1.4 million people, around a quarter (26%) of Scotland’s total population. However, over the past 10 years, the rate of population growth has begun to decline due to a reduction in natural birth rates. This is coupled with an increase in life expectancy across the region. Over the 10 years from 2009 to 2019, across all six of the local authorities, the increase in those of non-working age has been higher than those of working age (16-64). This is felt most acutely in Fife and the Scottish Borders, where the working age population has decreased by 1% and 4% respectively since 2009.

Figure 2 - Population



A demography with an ageing population and a high dependency ratio (the number of people of non-working age dependent on those of working age) means that a smaller pool of people of working age are supporting a larger pool of older people who are not working. This in turn puts additional pressure on public services. There is also a more limited labour pool on which to draw to address regional recruitment needs. Some sectors such as Health and Social Care are already experiencing skills challenges and could find it increasingly challenging to recruit the people they need unless more people of working age are attracted into the region.

Regions with high dependency ratios such as the Scottish Borders, East Lothian, and Fife, are more likely to experience labour shortages. However, this could be offset by enhanced automation in certain sectors and a focused talent attraction and retention strategy. It is also worth noting that people of non-working age contribute much through ongoing paid work, volunteering, and formal and informal mentoring.

Labour Market and Skills Landscape

The COVID-19 pandemic has had a demonstrable impact on businesses and key sectors across Edinburgh and South East Scotland. As of February 2021, there were 95,000 individuals who have had their employments furloughed across the region: accounting for 26.1% of Scotland’s total furloughed workforce. All local authorities, with the exception of the City of Edinburgh, have a higher number of females than males currently on furlough.

Figure 3 – Furloughed Jobs and Redundancy



Despite the financial impact on businesses, there has been a steady rise in the number of job postings across the region over the past 12 months, highlighting a return of recruitment. The number of new job postings has increased by 5,958 from 3,651 in April 2020 to 9,609 in March 2021. This suggests that as lockdown measures were relaxed over the latter half of 2020 business confidence began to return.

Over half of these job postings were advertised in Edinburgh, followed by Livingston and Dunfermline. Programmers and Software Development Professionals, Care Workers and Home Carers, and Nurses were the most frequently advertised occupations with skills such as teamwork and collaboration, customer service and budgeting, in high demand.

The top employing industries across the City Region over the past 12 months have been Human health activities (22%), Education (16%) and Public administration and defence (8%) with the median real time salary associated with all postings across the 6 local authorities reaching £31,800.

However, job postings in the City Deal region remain 15% lower in March 2021 when compared to March 2020, suggesting that many businesses are struggling to stay afloat – and the types of jobs available may not offer the security or hours in demand from those in the labour market.

Forecast opportunity areas and recent job postings data all highlight the importance of softer skills as well as technical skills to employers across the city region. Going forward, ensuring meta-skills such as 'Social intelligence', 'Self-management' and 'Innovation' are part of provision planning will enable individuals to compete in a competitive and changing labour market.

Looking ahead, the number of people forecast to be needed to fill job openings in the labour market by 2023 is 95,100; accounting for 28% of Scotland's total number of job openings. This is primarily driven by replacement demand, when people retire from the labour market as opposed to new job creation. It is anticipated that despite the short-term labour market challenges facing the region, there could be some job growth and new opportunities created in the mid-term.

REGIONAL IMPACT FROM UK EXIT FROM EU & COVID-19

The cumulative effects of Brexit and Covid-19 will have short, medium, and longer term economic, social and environment effects at a regional and national level.

The COVID-19 global pandemic has had wide-reaching economic, social and health impacts around the world. For Edinburgh and South East Scotland, the impact on the economy has been significant because of the large number of people employed in tourism, travel, hospitality/food service, arts, culture and (non-food) retail.

Health, economic, digital and transport inequalities that existed before the pandemic have made it more difficult for some households to cope with the effects of lockdowns and restrictions and COVID has placed significant pressures on personal finances. The effectiveness of community action projects, right across the region, have provided strong support and helped to minimise the impact on the most vulnerable in society.

Many existing business models are under threat, not just because of the immediate restrictions, but in the medium-term trends (e.g. home working) affecting patterns of consumer behaviour. This particularly affects transport, culture, retail and hospitality/food service. An economic divide between those businesses and individuals who can adapt to new ways of working, or move into new roles, and those who cannot, will develop and widen, unless support is put in place.

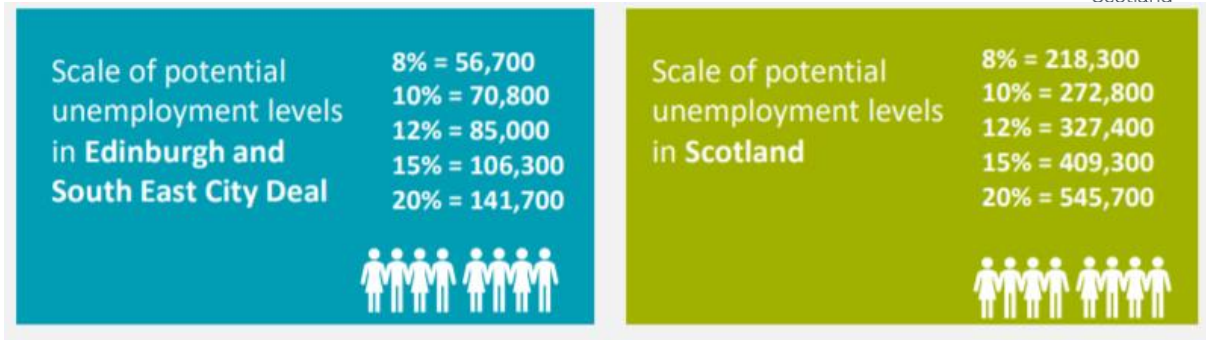
In addition to COVID-19, the UK's recent withdrawal from the European Union has the potential to create additional challenges for Edinburgh and South East Scotland's labour supply. In June 2020, there were 85,000 EU nationals living across the six local authorities in the City Deal, accounting for 35% of the total number of EU nationals residing in Scotland. This is a decrease of 37% (1,000 people) from December 2019. Once Hospitality and Tourism enters a stronger recovery phase there may be an increase in skills shortages across the sector due to its high composition of non-UK nationals. This skills deficit has been noted through the public consultation of this framework, with a clear voice on how the region's employers will depend on the education institutes to minimise these risks.

The outmigration of people from the City Region over the 6 months to from December to June 2020, hints at the potential future direction of travel in migration flows. Given that Scotland and the City Region's only forecast population growth was due to inward migration, the UK's exit from the EU has the potential to create skills shortages across a range of sectors and occupations, whilst adding to longer-term labour supply challenges related to a shrinking working age population.

Identification of Vulnerable Groups

Throughout the pandemic, the unemployment rate for 16–64-year-olds in Edinburgh and South East Scotland increased gradually from 3.1% in March 2020, to 3.7% in September 2020 (25,500 people). This is lower than the Scottish unemployment rate of 4.4% (Feb. 2021). Fife has consistently had the highest rate of unemployment of all six local authorities, and women across the City Region currently have a higher unemployment rate (4.1%) than males (3.4%).

Modelling suggests that in a worst-case scenario, if the unemployment rate across Edinburgh and the South East of Scotland were to reach 20%, we could see up to 141,700 individuals unemployed.



The impact of COVID-19 has not been evenly dispersed across the labour market. Young people have been at a particular economic disadvantage, with many employed in sectors that have been heavily restricted or closed due to physical distancing measures. In September 2020, the 16–24-year-old unemployment rate was 12.4% (9,600 individuals), higher than the Scottish rate of 11.1%. This is three times higher than the 16-64 unemployment rate.

There is also concern that the furlough scheme could be operating as a potential buffer to rising unemployment rates in the long term. Assessing the number of people on universal credit provides a timelier indication of COVID-19 potential financial impact on individuals across Edinburgh and South East Scotland. Between March 2020 and February 2021, the claimant count rose by 94.5% (57,300 people) from 60,600 to 117,900. This suggests that there has been an immediate number of job losses since the outbreak of COVID-19 across the region.

For rural regions such as the Scottish Borders, increased youth unemployment has the potential to lead to a talent drain as young people look for employment and training opportunities in other areas. This, in combination with rural transport and digital connectivity poverty, could create further labour market and skills supply challenges that persist beyond the COVID-19 pandemic. The Strategic Transport Projects Review 2 - Edinburgh and South East Scotland Case for Change report includes contextual information of relevance to these issues as well as further details on the transport problems and opportunities in the region.

Recent insight provides that 10,276 of 11,083 (93%) school leavers across the City Region transitioned into positive destinations. Most school leavers in went into Higher Education (4,554) or Further Education (3,311), and 396 individuals went on to training opportunities. It is worth highlighting that the number of school leavers going into employment increased by 49.8% to 2,849 in 2019/20 from 1,902 in 2018/19. In addition, the number of unemployed and job-seeking young people fell from 503 in 2018/19, to 395 in 2019/20.

A key area of focus over the years after the COVID-19 pandemic will be ensuring that all young people are supported into employment and training opportunities within the labour market, with additional support provided to those living in areas of high multiple deprivation. There is an expectation that the future of the labour market including portfolio working; increasing automation; and the rapid pace of change in the nature of work are likely to impact on support requirements. This is an area where our ambition is to target support appropriately, in a way that continues to respond to changes, but it is envisaged that young people will be particularly affected and will therefore be an important priority group. As part of this work, our education institutes across the region may have to deliver new apprenticeships or career pathways to support these people.

Regional Skills and Talent Development

Significant regional benefit has been achieved from the development of the Integrated Regional Employability and Skills (IRES) Programme, which continues to underpin each aspect of the ESES City Region Deal. The IRES Programme is facilitating a growing network of private, public and third sector organisations who are working together to ensure employability and skills investments are maximized. This change programme continues to embed inclusive growth factors within the network enhancing opportunities for those who live and work within the region to access higher skilled and higher paid opportunities.

The IRES Programme is comprised of seven projects:

- Housing Construction and Innovation (HCI) targeted skills gateway
- Data-Driven Innovation (DDI) targeted skills gateway
- Integrated Employer Engagement
- Intensive Family Support service
- Labour Market Analysis and Evaluation
- Workforce Mobility
- Integrated Knowledge Systems

Some of these are designed as enablers, promoting longer-term partnership working and richer collaboration between stakeholders throughout our city region area. For example, Integrated Knowledge Systems and Labour Market Analysis & Evaluation projects are ensuring the better collation, analysis and evaluation of data from stakeholder across the six regions, in order to support enhanced skills planning and supporting our response to the changing labour market in response to the Covid-19 pandemic.

Other projects such as the targeted skills gateways and the Intensive Family Support service will provide more tailored client-specific support, through engagement, training and access to progression opportunities.

Inclusive growth priorities ensure that the IRES Programme continues to address the needs of citizens including disadvantaged and marginalised groups, unlocking access to good opportunities. Closely aligned school, college, and university planning will enable educational and workforce routes for learners into key sectors. Labour market demands will inform skills planning and the delivery of upskilling opportunities providing transition into successful and sustained careers. This will prove critical to help upskill or retrain those who may wish to pursue alternative careers available to them across the region.

By supporting the needs of the regions labour market, the IRES Programme will continue to identify opportunities to enhance the skills of residents through alignment with key growth sectors. Tackling inequalities and promoting fair work agenda will remain a key focus for the project, supporting economic success as well as enhancing the wellbeing and prosperity of citizens, communities, and business. A strong regional network remains key to the success of the IRES Programme. Working closely with partners the project aims to inform evolving policy and practice needed to support the region to achieve outcomes.

Transport

COVID-19 has changed the demand for, how, why and when people travel. This has been experienced nationally, regionally and locally and longer term impacts remain to be seen, but it can be expected that there will be longstanding changes that impact on the transport network in the region and also present opportunities to lock-in positive behaviour change such as an uptake in walking and cycling. Information on

monitoring of the transport trends during the COVID-19 pandemic is available on Transport Scotland's website.

Emerging Opportunities

Despite the challenges presented by the COVID-19 pandemic, there are emerging areas of innovation and opportunity that could be the drivers of future economic growth. Enhanced reliance on digital technology has not only driven business innovation across key sectors, but it has also reshaped the landscape of work as we know it. Many sectors, such as Financial and Business Services across the City Region, are changing to a more flexible 'work-from-home' model and increasing their digital capacity. As a result, more opportunities could be brought to the region, with an increase in remote working from any local authority, while recognising the potential impact on the existing office sector and city centre retail and other support services.

This opportunity could extend beyond COVID-19 and result in several societal and economic benefits to the region, such as reducing congestion and carbon emissions as commuting activity decreases leading to a change in investment priorities aligned with the NTS2 sustainable travel hierarchies and promoting greater use of local services and shopping (inclusive growth). In the mid-long term, new opportunities in 'green jobs' are a growing area of opportunity that align with Scotland's carbon reduction aspirations (net-zero by 2045), particularly in Construction, Engineering and Manufacturing, Transport and Land-Based Sectors. Particular focus on bringing forward land use planning and transport proposals in a truly integrated manner. There also continue to be opportunities in sectors that have struggled to attract sufficient numbers to fill vacancies including health & social care, construction and teaching.

In order to prepare for and capitalise on 'green jobs'⁴ it is critical to ensure that there is a pipeline of individuals trained to enter these roles throughout the supply chain. It is important to have a clear understanding of the skills associated with these jobs, and to ensure that these are being developed through new and emerging provision pathways across all institutes in the region. This includes guaranteeing that everyone in society benefits fairly from the change towards a green economy, our collective impact to progress the environmental impact is maximised and ensuring that those who are most likely to be disadvantaged by structural changes in employment receive targeted support.

The region is also home to a wealth of natural capital, with numerous parks, coastal areas and a rich and varied wildlife. The "greenspace" across our region was highlighted as a real source of pride in the responses to our public consultation from citizens across all six local authorities. The Scottish Government declaration of a Climate Emergency in 2019, and the heightened discussions leading to COP 26 in Glasgow this November have forced the region to prioritise environmental developments.

⁴ A green job is either: any job in a business that produces good or services that benefit the environment or conserve natural resources; or a job in which workers' duties involve making their establishment's production processes more environmentally friendly or use fewer natural resources (see: <https://www.scottish-enterprise.com/support-for-businesses/funding-and-grants/business-grants/green-jobs>)

5. WHERE ARE WE GOING?

Currently, our region is in a period of profound uncertainty, facing unprecedented economic, societal and environmental challenges. It is difficult, in such a period, to set a fixed direction for the region. We recognise the need for adaptability, flexibility and agility, as we hopefully move into a post Pandemic context, and we recognise that the region is in a strong position to respond to the ongoing challenges and opportunities facing all parts of the world, and is well placed to be adaptive, flexible and agile. For the environmental concerns highlighted throughout our consultation process, it is evident that doing nothing is not an option for the region. These changes must be delivered to protect the future generations of our region.

In terms of immediate priorities, the Scottish Government has published an Economic Recovery Plan, which sets out actions across a number of themes to secure a jobs-focused and socially-just economic recovery. These include:

- Protecting jobs by supporting business recovery and sustainable, green growth
- Creating jobs through business engagement and a partnership approach
- Supporting access to good quality jobs through employment, skills and training
- Boosting local job creation through resilient people, communities and places
- Creating jobs and a Just Transition through investment-led sustainable growth

There is a clear link between better regional distribution of economic activity and improved social outcomes. The Scottish Government wants to facilitate collaborations between local government, the private sector, education and skills providers, our enterprise and skills agencies, and the third sector to use regional economies to drive inclusive and sustainable economic growth. We stand ready to work constructively and collaboratively across the public sector to achieve these aims.

Recent months have also seen development of UK Government policy and proposals in areas including levelling up, community development, R&D Place Strategy and Innovation Strategy. We must ensure that we are ready to respond to emerging policies.

Scottish Government Housing to 2040 and NPF4 – the twenty-year ambition of the Framework aligns well with the timelines of both the national housing and planning strategies. Delivering the RPF, Regional Housing Programme and seven City Region Deal strategic sites aligns closely with the investment, commitment and certainty provided by both Housing to 2040 and NPF4. It will also contribute significantly towards the national ambition to deliver 100,000 affordable homes by 2032, with at least 70% of these being for social rent. The implementation and action plans for the RPF will align closely with the new plan for Scotland and reflect the direction this will provide on future investment into our region and local communities.

The National Transport Strategy 2 (February 2020) sets the strategic direction to help deliver the 2019 Scottish Government commitment to be Net-Zero by 2045, while protecting the environment, reducing inequalities, help deliver inclusive growth and improving health & wellbeing. There is greater synergy between economic, planning, environmental and transport strategies that will provide consistent direction and shared outcomes.

Linked to these areas of Government Policy, we have also seen the publication of a range of research to inform future economic priorities, both national and local. One, produced by Oxford Economics, provided an assessment of Scotland's economic prospects and challenges. It looked at how existing resources and policy instruments could be used more effectively to raise Scotland's economic growth prospects and considered more ambitious policies which, if introduced, might generate a significant uplift in Scotland's economic growth. Incremental improvements could be achieved by more focus and resources around:

- Reform in the complexity of policy goals and instruments that exist;
- The Scottish National Investment Bank (SNIB) should play a key role to achieve a step change in economic growth;
- Continuing to attract inward investment as a key policy ambition;
- More support for 'on-shoring', particularly around manufacturing related sectors;
- Increased supported for SMEs through a more streamlined system of business support;
- Better linkages between the education and skills sector and future needs of Scotland's workforce.

The report proposed that more radical changes were needed in Government policy to support a transformation of Scotland's economic performance, with focus on:

- Increases in government borrowing and/or cuts in interest rates to stimulate stronger growth in demand and hence output;
- Significant tax cuts and deregulation, to improve competition and incentives in the economy; and
- Large increases in government support for businesses, either directly or through increased spending on infrastructure, education & skills, innovation, or the green economy.

So, what might this mean for the Region and how can it focus its considerable resources to achieve something sustainable, achievable and for the collective wellbeing of everyone? The region has real strengths and successes to build on, as well as new challenges and opportunities to face. These include:

High Quality Places and Investment in Homes and Neighbourhoods



- Some of our **urban and rural environments are enviable**, and provide an unrivalled quality of life, but this is not universal across the region. Few other regions in Europe match the quality of our natural and built assets, right across the region;
- **But the reality remains very different for many**, and policy must focus on Fair Work, local regeneration, and support for those in greatest need;
- **Home working across the Region's communities has risen sharply** as a result of the COVID-19 pandemic. This change can support our local economies and town centres, and we need to consider the future of office locations, infrastructure and provision. For some this way of working can enable a better work life balance, enhance productivity and well-being, but can also bring work/life balance issues for many. We must remember that these options are not available to all, and not all jobs can be done from home. Increased home working presents a challenge in footfall for retailers and hospitality, and for developers/investors in relation to property provision with risk of increased dereliction;
- The delivery of a **major housebuilding programme across all types and tenures**, aimed at increasing affordable living in sustainable communities with high quality place and local infrastructure. In doing so, such a programme needs to recognise the potential of the new blended / hybrid working environment, and has appropriate homeworking and wellbeing space;
- The creation of sustainable mixed communities and new destinations and attractors across the region, through regeneration and new development, can increase job density, amenities and housing options with matching service and infrastructure with appropriate legislation within more self-contained **20-minute neighbourhoods**. This must work within the Scottish Governments Housing 2040 strategy and the National Planning Framework (NPF) 4 scheduled to be published shortly with a focus on long-term developments in keeping with this proposed framework.

- A new-found emphasis on sustainability and natural capital in the light of the COVID pandemic also gives us the opportunity to recalibrate our understanding of what economic development, flows and opportunity and supporting infrastructure mean in a rural context. Typically, these features are overwhelmingly conceived as something which extends ‘out’ from cities, and it is assumed that networks exist predominantly to serve the interests of primary urban centres. While this perspective is understandable in terms of critical mass and cost efficiency, it tends to obscure an understanding of the strategic requirements of rural and less densely populated areas. If **rural areas are to maximise their contribution** to Scotland’s National Ambition for Inclusive Economic Growth and to our region, then we must take **a new approach which builds on the opportunities for flexible and digitally supported working**. This greater flexibility in residency choices and housing, with wider implications for travel and the pressure on services, creates enhanced opportunities around natural capital, for example, through renewable energy, carbon storage, or the redesign of farming support.

Major Economic Strengths and New Opportunities

- Our educational institutions, the **research-intensive Universities** in particular, give us a strong competitive advantage. Our innovation systems must maximise these flows and linkages.
- We have a major opportunity to re-focus support on **key growth areas of the economy** such as Software, the Creative Industries, Life Sciences/Healthcare, Business Services and Food and Drink. All underpinned by Data Driven Innovation, and with a skills system ensuring new skills are constantly driving innovation.
- A **commitment to more locally based supply chains** and more of a ‘near me’ economy, linked to the broader objective of supporting Community Wealth Buildings, particularly through the procurement policies of our anchor institutions can bring new economic benefit if properly channelled.
- The profile of the region having Scotland’s capital, a city of international profile and reputation.

To build on the Region’s strengths and address the existing challenges and opportunities, it is important the Region’s seeks to be ‘Resilient’ in its solutions, ‘Innovative’ in the way in which organisations work together flexibly and quickly, and seek to support a region that ultimately ‘Flourishes’ to the benefit of everyone who lives here. These themes are explored in more detail in the next section.

6. OUR EMERGING VISION FOR THE FUTURE

Having reviewed the challenges and opportunities that the region needs to address, the following section outlines our collective Vision for the region, as well as the themes that will focus our activity.

In doing so, it seeks to recognise the importance of the area’s natural, cultural, built and community assets, and our determination to create a more equal economy and society, improve citizens’ health & wellbeing, address climate challenges and help develop an internationally recognised, well-connected and outward looking city-region.

Our Vision

Our aim is to become the data capital of Europe. We will ensure the social and economic benefits of this capability **extend to all**. All sections of the community will have the opportunity to develop the key **skills that will help to end inequalities in our society**. We will **protect our environment** and **make best use of our extraordinary built and natural assets**, ensuring that the Edinburgh and South East Scotland City Region delivers a just transition to a net zero economy. **Our institutions, ancient and modern, will deliver positive outcomes that enhance our local, national, and international reputation.**

Delivering the Vision

A series of future regional priorities have been outlined below, these seek to maximise the opportunities the Region offers, while addressing the challenges which it faces; both existing and as a result of Brexit and COVID-19. These are emerging priorities and will require further work, consideration and consultation as the Framework develops. These priorities fall broadly into three key thematic areas – **Resilient, Flourishing and Innovative**.



7. OUR EMERGING STRATEGIC THEMES

Theme 1 – Flourishing



- We want to spread the benefits and prosperity more evenly around the region in an environmentally sustainable way, to ensure inclusive growth, community wealth building, community wellbeing and reduced inequalities are achieved. Technological and climate change is transforming the types of skills requirements and job opportunities available and how companies do business and it's vital that people in the region have the skillsets required to work in key sectors. We want to have economic wellbeing levels well above the Scottish average and equal to or better than comparable international City Regions, which are spread across all our citizens in the region. We want our governance, investments and institutions to support the economic activities that will define the region as a global pioneer and leader that our citizens are truly proud of. We aim to have a wide labour market with diverse skills base to match current and emerging business requirements as well as future growth sectors. We have education, skills and training opportunities, targeted at underrepresented groups and sectors with appropriate support to enable their increased participation. There is improved access to such employment, education and training opportunities across the whole region. This supports a diverse, broad and resilient economic base with a wide range of job types and employees linked to innovation, a just transition to net zero and local production and supply chains. Delivering new zero carbon homes, maintaining and retrofitting existing homes will be central to changing our behaviours to support of a transition towards a zero-carbon economy.

Future opportunities include:

- Delivering the 21,000 jobs that the City Region Deal projects will bring and helping our most disadvantaged communities have the skills and ability to access these opportunities.
- The City Region Deal Integrated Regional Employability and Skills (IRES) Programme will provide part of the support required to help people in the region adapt to these changes.
- Sustainable, accessible and integrated transport as an enabler to universal access for opportunities and reduce inequalities.
- Maximising community benefits from the City Region Deal and future collaboration projects can deliver economic opportunities linked to areas of disadvantage.
- Distribution of key sectors and jobs and assets - building on the region's core sectoral strengths which include: tourism, agri-tech, life sciences, data science, tech, finance, fintech, creative industries, food & drink, renewables/energy, health and social care, manufacturing, construction, warehouse and distribution.
- Growing export value and the number of exporters. Consider economic opportunities at a regional scale e.g. future warehouse, distribution, industrial and retail uses, and how those organisations maximise their global reach.
- Work in partnership with utility suppliers to ensure the combined ambition for net-zero, community wellbeing and inclusive growth can be delivered across the region.
- Embed the principles of the Logan Review across all sectors to support and nature innovation and entrepreneurship.
- Maximising the benefits of an inclusive economy to extend beyond existing urban centres to smaller towns and rural areas, to develop/enhance 'locally' functioning hubs. Reducing the need to travel unsustainably with sustainable and low carbon transport choices connecting places, create conduits for business and enterprise, workers, skills, training, and goods and services
- Collaboration with Scottish Government to deliver wide range of financial innovation opportunities that will enable the delivery of a 'Regional Housing Programme' and our seven transformational strategic sites:

- Deliver upfront land remediation and shared infrastructure delivery across sites that require it – Blindwells and the former Cockenzie Power Station Site, Edinburgh’s Waterfront, Dunfermline, Shawfair, Winchburgh, Calderwood and Tweedbank.
- To also deliver the associated low and zero carbon, green and blue infrastructure on these sites that will enable adaptation and mitigation to climate change and reduce fuel poverty, increase energy efficiency and deliver wider multiple benefits.
- Investment required to meet the greatest affordable housing need in Scotland, through an expanded regional affordable housing programme that builds on work to produce a Regional Strategic Housing Investment Plans and delivers more social homes for rent
- To enable wider delivery of affordable, specialist provision, ‘Mid-Market Rent’ and ‘Build to Rent’ and therefore mixed tenures and communities
- Regional Home Demonstrator – delivering a new business model for affordable housing that is key to the transformation of delivery (including collaborative procurement, design standardisation, whole life costs and net zero carbon performance) and moving towards the mainstreaming of modern methods of construction that can be deployed across the region
- Housing Construction & Infrastructure Skills Gateway
- Housing developments based on digital connectivity and supported by 20min neighbourhoods promoting the NTS 2 hierarchy of walking, wheeling, cycling and public transport access supported by an infrastructure first approach.

Theme 2 - Innovative



Innovation is critical to developing new solutions to the challenges and opportunities the region faces. Within our region the differentiating opportunity is Data, which is critical to future economic growth, social change, and public services. The region has ambitious plans to establish the region as the Data Capital of Europe and ensure that communities across the region benefit from data-driven and other forms of innovation. We must build on this platform to ensure that the RPF delivers for all our citizens in new and innovative manners.

The City Region is home to the £1bn+ businesses FNZ, FanDuel and Skyscanner. Major international tech companies such as Amazon, Cisco, Oracle, Microsoft and IBM have also created bases in the City Region. In 2020, Scottish start-ups collectively raised £345m with nearly 2,500 start-ups. However, as the Logan review recognised, attracting investments for these from London or abroad continues to be a challenge. The Tech Ecosystem in the region is strong and is one that has the potential for further consolidation and growth right across the region. In terms of academic and research capability, the University of Edinburgh has been ranked first in the UK for computer science and informatics research and Heriot-Watt University is a global leader in Robotics and Artificial Intelligence (RAI). East Lothian’s Food & Drink Business Improvement District includes an Edinburgh Innovation Park with Queen Margaret University to innovate around Food & Drink practices and products, including the practice of translational medicine to impart medicines in food products to address acute medical conditions.

Future opportunities include:

- Formation of a Regional Tech Ecosystem collaboration, to facilitate and promote the collective opportunities for local development and international growth, as Fintech Scotland has done for the Scottish Fintech community.
- Collaboration across public, private and academic sectors to apply data science approaches, to develop innovative and financially sustainable models to business operations, including regional opportunities in the fintech sector and in health and social care.
- Building on the infrastructure available across the region to enhance the provisions of services to our communities in a responsive and appropriate manner.
- Data-driven approaches to prevention, treatment, and health and care service provision, enabling high quality and efficient care within a world-leading learning healthcare system.

- Delivering business premises of the future are ready for data-driven innovation opportunities, including the City Region Deal Fife i3 Programme and Borders Innovation Park, as well in other major development areas like West Edinburgh, Fountainbridge and Granton in Edinburgh.
- Innovative and future-proofed infrastructure – ensuring the region is at the forefront of new infrastructure and in a position to enable 5G and superfast fibre delivery across the region, to enable businesses to locate, invest and grow in our more remote and rural locations whilst also allowing people to work from more flexibly from home and other locations.
- Innovative and future proofed transport – ensuring the region has coordinated information and flexible transport modes that are easily accessible and deployed to promote growth in the sector and support net-zero and the reduction of inequalities.
- Innovative and future proofed utility networks to effectively and efficiently serve the region and its ambitions.

Theme 3 – Resilient

Our region must be resilient and be responsive to change. Economic changes, including technological advances are rapidly taking place and changing the way we work and access services. Climate change is bringing challenges and opportunities for the region, including the need for adaptation, mitigation and sequestration measures; this could also bring significant opportunities to justly transition to a low carbon economy. Our people also need to live in places in all parts of the region that support new fair work, have access to travel and lifestyle choices and we must also evolve the skills base of people in our region to meet the requirements of our future economy.

Partners across the region will work with the Scottish and UK Governments and regional partners to ensure our national, regional and local plans, consents, investment and delivery are co-ordinated, streamlined and accelerated to ensure:

- Nationally and regionally significant transport projects will be coordinated by SEStran and delivered to connect the region better to other city regions, places and markets including:
 - Rail
 - Road based public transport
 - Active travel
 - Demand Responsive Transport
 - Mobility as a Service
 - A720/A1
 - Air
 - Marine
 - Mass Transit
 - Borders Railway Extensions
- The delivery of a fairer distribution of economic growth across the region, not just population and housing, to:
 - increase diversity of economic activity and job density across the region,
 - make more resilient communities,
 - minimise need to travel,
 - make best use of assets – e.g. contra peak capacity in transport network
 - encourage new ways of working
 - use of digital connectivity
- Masterplan Consent Areas, major developments and / or New Towns will be designated as appropriate, with major national and cross boundary transport projects to be delivered through national, regional and local level collaborative teams

- Regional Spatial Strategy and major development plans will collaborate strongly with national/regional/local transport strategies and work in partnership with transport agencies, where appropriate, to input and prioritise the delivery of sustainable transport infrastructure to help support greener travel behaviours
- We will work as regional partners to ensure
 - Our plans and strategies are coordinated across local authority boundaries and projects; and
 - Initiatives to deliver more frequent, reliable, integrated and affordable public transport are supported and active travel services and options are improved for all in the region by working closely with transport providers and SEStran and Sustrans Scotland etc.
- Better connected - Future priorities to ensure that the region is better connected, include:
 - Pursuing strategic public transport projects and priority schemes to deliver greater connectivity in the region quickly, as well as contributing to challenging national targets, such as 20% reduction in car kilometres travelled within the next ten years
 - Measures to increase workforce mobility, especially for residents of disadvantaged communities, primarily through the creation of a fully coordinated, integrated, flexible and affordable transport network across the regions that helps reduce inequalities. Strategically, future plans need to acknowledge the integration of land use and transport, to support 20-minute neighbourhoods, 'blended working' and innovative transport solutions.
 - Interventions that, individually and/or collectively, demonstrably address climate change and reduce carbon emissions.
 - A single point of information and ticketing, which is affordable and integrated for public transport across the region.
 - Helping to deliver the National Transport Strategy (NTS2) priorities and outcomes underpinned by the sustainable travel and investment hierarchies and Regional Transport Strategy objectives through appropriate infrastructure and services in new strategic sites, as well as from main centres of population to centres of employment, education and training as well as other public facilities including health care;
 - Enhancing mode choice and offering to ensure that transport network can become more flexible to adapt to the differing transport needs of the region.
 - Focusing on investments on modal shift and supporting the more disadvantaged communities.
 - Considering potential longer-term schemes for tram, light rail and heavy rail.
 - Supporting freight operators using new approaches to freight decarbonisation across the region
- Sustainable – Partner organisations are developing four strategic outline cases for the development of sustainable Energy Management Systems, Regional Supply Chains, developing an Investment Prospectus for COP 26 and setting out a Risk impact for climate change consequences, including economic consequences. Additional opportunities to help ensure the region can adapt to climate change and transition to zero carbon emissions include:
 - Sustainable Modern Methods of Construction – The scale and pipeline of regional housing development presents a unique opportunity for innovation and use of offsite manufacturing methods of construction to ensure that homes are future proofed being built to the highest quality and energy efficiency standards with significantly reduced waste and carbon emissions. Continued collaboration with Edinburgh Napier University's Institute for Sustainable Construction and Construction Scotland Innovation Centre.
 - Energy - The region already has some significant assets that can help to enable the transition to a low carbon economy. However, harnessing this collective potential combined with future investment, behavioural change, and a move towards a circular economy will be essential to meet ambitious targets. Existing key assets and opportunities across the region include:

- Energy Park Fife - Energy Park Fife is a world leading engineering and research zone within the energy sector.
 - Energy from Waste Plants - Maximising connections to Midlothian and East Lothian sites to deliver low carbon heating in the South East of Scotland.
 - Geothermal - There are several former coal fields across south east Scotland, such as the Midlothian and East Lothian and Fife coal fields, where there is significant potential to abstract and make use of warm mine water to develop geothermal heat networks.
 - Recycling - Significant expansion in recycling facilities, consideration could be given to regional recycling hubs.
 - Transport – Transport accounts for 37% of Scotland’s greenhouse gas emissions. There are a number of national, regional and local initiatives that are demonstrating or investigating the decarbonisation of transport and will help to reduce kilometres travelled by car.
 - Transport – A true modal shift from the private car (even EV powered) to active travel and public transport will help maximise the efficient use of energy, but this can only be achieved by providing a viable alternative to the private car. SESTran’s Mobility as a Service and Demand Responsive Transport approaches across the region will provide the platform to create a fully integrated public transport offering, coupled with Demand Responsive Transport to respond to the customer needs and the changing dynamics of the region.
 - The Scottish Borders is already a significant net generator of onshore renewable (wind) energy. There remains potential to expand this output in areas set out in the Local Development Plan, as well as to develop the associated upskilling, well-paid jobs and local economic benefit.
 - Offshore renewable also offer opportunities reflected, for example, in Eyemouth’s selection as an Operations & Maintenance base to support EDF Renewables UK’s Neart na Gaoithe Offshore Wind Farm.
- Green and Blue Infrastructure and nature-based solutions, including carbon capture and sequestration. We will identify regional project, programmes and actions that will help us to adapt to and mitigate future climate, focusing on reduction measures and the mitigation and sequestration. The work of this framework must enable difficult local decisions around carbon emissions but operate within the regional framework. This will support the local needs of each council, providing overarching best practice to work within. Afforestation and enhancing the significant woodland and wetland assets within the region; particularly the Scottish Borders. New developments provide green corridors for safe wildlife passage and connections to nature, natural waterways protected and preserved, natural wetlands and floodplains protected through masterplanning to provide vital future water management and prevent erosion.
 - The region has much to contribute to the net zero agenda, but there is work to do to better understand the regional issues and opportunities. Change will be rapid and we aspire to be at the forefront of this. This means developing a much stronger understanding of the impact of our collective carbon emissions impact, and what we should target first to make the biggest difference. A working group has been formed and this work is already underway as an early priority. As this develops, we will work closely with:
 - a. Scottish and UK Governments to ensure emerging good practice is reflected in our approach to GHG measurement and costing
 - b. Transport Scotland and other transport partners to seek ways to complement the emerging Regional Transport Strategy through our work
 - c. NatureScot and others to develop nature-based solutions that add to quality of environment and quality of life
 - d. Private sector partners who can deliver so much of what is needed, and require a supportive policy backdrop to enable this
 - We have a powerful range of organisations and individuals across the region who can all contribute in different ways to this critical agenda. Our “Big Moves” will all consider how best to

support our net zero aspirations. We recognise that this will require new ways of working, and new ways of thinking about our environment. Our approach to risk must reflect the urgency of the situation and look ahead to likely future legislation, taxation and GHG obligations.

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8. OUR EMERGING BIG MOVES

A Better-Connected Region

The interdependence between local partners has never been greater with increased mobility of workers and people choosing to live, work and invest in locations across the region irrespective of administrative boundaries. Within the region we will ensure that employment, training and education can be accessed by all, through sustainable transport modes.

South East Scotland is well placed to capitalise on improved international, UK cross-border, including between Edinburgh and London, as well as national connectivity. Edinburgh Airport, ports on the Firth of Forth and the radial transport corridors to, through and from our region connect it to other UK regions, Scottish regions and City Region Deals including Tay Cities and Borderlands. These routes and our digital connectivity provide the means to develop wider relationships and to seek out, attract and share new opportunities.

Edinburgh city centre and the regional core are a key connecting node, but many of our major cross boundary connections converge elsewhere in the region. A better, more sustainably connected, region underpins its future success.

Many of these strategic corridors are part of the NTS2 Strategic Transport Projects Review 2 and will inform the Scottish Government's transport investment programme in Scotland over the next 20 years (2022-42). The regional and local corridors will be developed by SEStrans and Local Authority strategies and mobility plans. Although these commitments will be longstanding, they have been developed during a period of unprecedented change and uncertainty, so regional partners will need monitor and assess the effectiveness of the commitments for the region and work with the Scottish Government and SEStran to react to any further development that may be required

Some of our key objectives are to promote future growth within the city centre, regional core and along our growth corridors in line with the high-level approach below:

- **Connecting West** – we want to build a new partnership between the east and west of Scotland right across the region, to address labour market linkages, sustainable connectivity and sectoral collaboration. This will exploit the existing M8 corridor to support the themes of education and manufacturing from Livingston into central Scotland and beyond. We also want to ensure we take advantage of our shared UK cross border connectivity and associated development opportunities, including logistics, freight and storage and distribution as well as manufacturing;
- **Connecting North** – utilising recent investment in the new Forth crossing, we want to improve connections to the Tay Cities Region and Aberdeen City Region areas, and to make available growth opportunities in key locations within Fife, including the former Longannet Power Station site, Port of Rosyth and Fife Energy Park, as well as around the Forth Bridge heads and at Edinburgh Airport, including growth of our financial, insurance and other professional sectors. This also includes the developments at Winchburgh as a southern bridgehead from which this can be enabled. The Levenmouth Rail Link will also offer new opportunities for both passenger and freight transport. A key focus of this will include ongoing support for further development of sustainable energy connections with key partners across the region and beyond;
- **Connecting East** – utilising existing and future enhancement of UK cross border connections between south east Scotland, north east England and London we want to reduce journey times and strengthen the UK cross border cities network. Along the element of this corridor within the region there is significant potential to align plans for substantial economic and housing growth in a new strategic regional growth gateway location focused on an enlarged new settlement at Blindwells with new regional town centre, the redevelopment of former Cockenzie Power Station site and a new regional gateway transport hub. The creation of a new railway station in Reston will also provide opportunities for inclusive growth and opportunities within the east of the Scottish Borders;

- Connecting South – the BioQuarter, and Edinburgh Innovation Park at Musselburgh cluster around the A720 (east end), A1, and East Coast Main Line; with Easter Bush nearby in the A701 growth corridor. The Borders Railway remains a major corridor for sustainable growth and rural regeneration; and a new North South tram line must connect North and Central Edinburgh to the Bio Quarter and then to the growing communities to the south of the city. To strengthen links further, the region requires the extension of the Borders Rail Line to Carlisle to improve UK cross border connectivity between the south of Scotland and the north west of England. For the movement of freight between the north of England and South of Scotland the A7, and A68 are key strategic routs that require future investment.

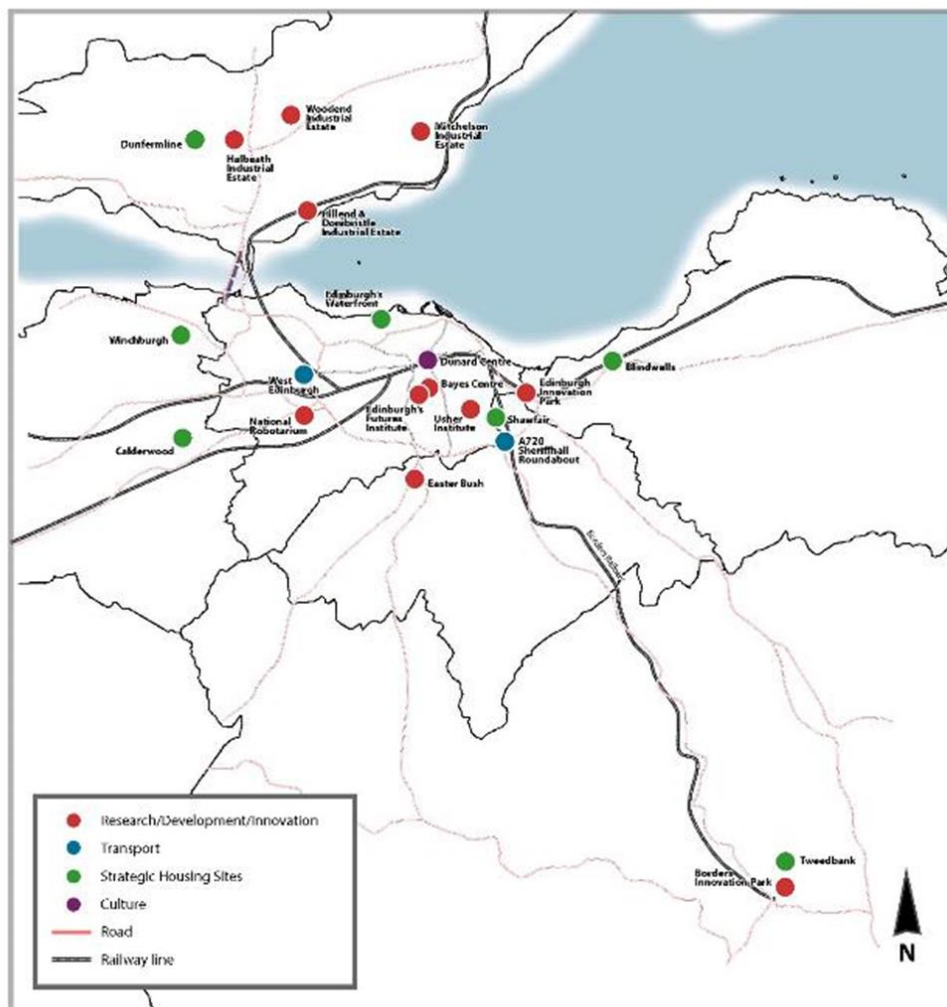
Major Regional Opportunities

This section sets out the nine major regional opportunities that have been identified through the Framework development process. Each aligns with one or more of the themes set out above and indicative projects have been captured against each of these big moves to provide an indication of how this will be delivered. Note that the indicative projects (in a,b,c format below) are not exhaustive. These opportunities cannot be fully realised without a regional approach and will deliver significant impact with the potential to reshape the region's future.

1. **A data-driven region:** *Our goal is to be the Data Capital of Europe. We have made huge strides in this direction, but this ambition now means major investment in data collation and capacity, deployment, absorption and skills – to support sectors and innovation ecosystems right across the region.*
 - a) Delivery of the major Agritech programme, aligned with health innovation activity at the Usher Institute and the wider & BioQuarter programme;
 - b) Supporting our Fintech network to diversify and future proof our financial services excellence;
 - c) Embed the DDI programme in key sectors such as tourism and advanced manufacturing (the latter initially in Fife);
 - d) Optimise the usage of the World Class Data Infrastructure investment.
2. **New approaches to sustainable development:** *over recent decades, our travel to work dynamics have changed, often to the detriment of local communities and sustainability objectives. The aftermath of the Pandemic can change that; we will see more working from home for some, changed commuting patterns and a much greater emphasis on local quality of life. We will embrace the 20-minute neighbourhood concept across the region, and, look to spatial planning and transport policies to reduce the need for travel, and where required, for mobility to be as close to net zero carbon as possible.*
 - a) Embedding sustainable approaches to delivering new communities at strategic sites such as Winchburgh and Blindwells;
 - b) The development of 'working close to home hubs' in local centres and at key transport interchange locations;
 - c) The regeneration of our high streets to imaginatively reuse the existing built infrastructure;
 - d) The development of a Regional Spatial Strategy to put these approaches on a statutory footing.
3. **Sustainable transport and mobility:** – *we will reduce car dependency and the need to travel unsustainably, right across the region by delivering key aspects of the National and Regional Transport Strategy such as interconnected cross boundary active travel links and better infrastructure for affordable public transport provision. A new mindset is needed which recognises the essential contribution of rural and less urbanised parts of SE Scotland make to the economy and society. We will provide affordable, coordinated public transport options for those who live in transport poverty for access to employment, training and education opportunities.*
 - a) The rail network is a key enabler of mobility within and without the city region. Enhancing connectivity, expanding capacity and ensuring provision is critical to a sustainable travel network. Key ambitions must include East Coast Main Line improvements including four-tracking of the line; new local stations at Reston and East Linton; the Leven Rail extension project enabling connectivity between some of East Fife's most deprived communities and attracting new business and investment

- to the area; Scottish Borders Rail extension, enabling further vital links into the Borders - a historically disconnected and deprived part of the region;
- b) The transformation of Waverley Station as the gateway to the city and country, providing the basis for improved passenger services and train operations, and supporting economic growth at the heart of the region;
 - c) Building on the expanding existing network, the development of a regional mass transit network, integrated with upgrades at Sheriffhall junction on the City Bypass to facilitate greater public transport priority;
 - d) An active travel network that delivers for all our citizens. We will build on the work achieved to date in urban and rural settings through a comprehensive regional network of safe and where possible segregated routes to encourage the most sustainable forms of mobility;
 - e) Targeted bus priority measures on local and trunk roads to facilitate modal shift, increase bus patronage, reduce congestion and contribute to the climate emergency response. Regional partners, working in partnership with bus operators, will develop and deliver ambitious schemes to improve bus provision and make use of the Bus Partnership Fund and align with other key national, regional and local projects.
4. **The Forth: a green industrial and regeneration exemplar:** Working with colleagues in the Forth Valley, we can make the Forth a national focus for renewables investment, and the mixed use regeneration potential along the Firth and coast can confirm our place as a leading European waterfront destination.
- a) Development and private/public delivery of the Forth Ports led Freeport/Greenport programme from the Forth Valley to Leith, including Rosyth;
 - b) The Edinburgh Waterfront regeneration programme, with a focus on delivery at Granton Waterfront;
 - c) The regeneration work proposed at the former Cockenzie Power Station Site including the major development at Blindwells.
5. **Sustainable tourism and cultural distinction:** *The city region is one of Europe's most important cultural destinations. But we cannot be complacent. The tourism and hospitality sector must meet skills and sustainability challenges, and we must remain rooted in authenticity. That is what makes the region so attractive. Both our 'here all year' cultural offer and our Festivals must remain internationally competitive and locally rooted and valued.*
- a) Design and delivery of a city regional tourism support network;
 - b) Optimising the role of Edinburgh as a gateway for the region and country to ensure discovery of all the region has to offer;
 - c) Building net zero and fair work principles into the sector;
 - d) Ensuring the Edinburgh Festivals remain world leading, environmentally and socially, as well as creatively.
6. **Support for starting and building a business:** *post Pandemic, new forms of enterprise will emerge. We need to ensure that national and local business support is aligned to enable the start-up and scale up process to be much more effective – and that local and regional support networks are at European standard.*
- a) Ensuring our innovation ecosystems are high functioning – involving business, HEIs, business growth agencies such as Codebase in Edinburgh alongside access to capital and advice;
 - b) Redesign our business support programmes to enable younger people across the region to start their own business, particularly supported by peer to peer networks, and supply of premises and equipment;
 - c) Explore Wellbeing economy principles to advance new economic models in the wake of the pandemic.
7. **Aligning the skills system to maximise progression** towards, into and through employment in emerging sectors and technologies including the green economy and supporting those who have been disproportionately affected by the COVID-19 pandemic (particularly young people) to secure sustainable employment.

- a) Work with our Further Education Colleges to ensure key sectors in the region can shape skills needs and programmes;
 - b) Build our digital skills programme in every High School in the region, learning from the work at Newbattle High in Midlothian;
 - c) Addressing skills shortages in growth areas of the regional economy through local, regional and national intervention;
 - d) Enhancing our employer led programmes to upskill the existing workforce to equip employees with the skills they need for the future.
8. **Healthcare and Well-being focus for all:** *Our One Health programme will build an international network of healthcare innovation at Easterbush, Edinburgh Bio Quarter and beyond. The programme encompasses core research, applied solutions, company formation and co-location, and new ways of working in local communities. We understand wellbeing is as much about Place as about science and medicine, and sustaining and building active and healthy communities is a core part of our ambition.*
- a) The Usher Institute as a future-facing institute to help understand and advance global health;
 - b) Advanced Care Research Centre, shaping world-class data-driven care for those who need it;
 - c) The Bio Quarter as an innovative institution for industry, academia and healthcare experts;
 - d) A stronger regional partnership between Councils, Health Boards, and the third sector in creating wellbeing in local neighbourhoods.
9. **Maximising the role of 'anchor institutions':** *The region is host to internationally respected institutions which are anchored in their communities – in the public, private and voluntary sectors. They are the foundations of our strategy whether in employability, procurement, or fair work. Universities and Colleges in particular have a key role to play in attracting talent and ensuring our skills base is fit for the future. We will develop a charter of these institutions to cover:*
- a) Procurement and buying policies, to ensure local economic impact is maximised;
 - b) Employment policy, to ensure these institutions support those further from the labour market;
 - c) Reputational impact – to ensure these bodies are beacons for the city region, nationally and internationally.



9. OUR PROPOSED APPROACH TO DELIVERY

Delivering this Regional Prosperity requires new ways of working

The Edinburgh and South East city region is Scotland's greatest economic asset, generating wealth and opportunity for its citizens and the rest of the nation. Economically, the city region is a national force for good, acting as a catalyst for the country as a whole. Socially, culturally and creatively, it is an iconic touchstone for the Scottish people, projecting much of Scotland's global profile and as the primary gateway to Scotland. It is in the national interest for investment and funding decisions to be taken coherently to provide for the continued and increased success for the benefit of everyone throughout the country.

To achieve and deliver upon this Regional Prosperity Framework requires a new way of working. Through the City Region Deal, the Scottish and UK Governments and regional partners embarked on a new relationship. The Deal has demonstrated that partners can collaborate effectively to deliver cross-regional projects, create future regional infrastructure and strategically co-ordinate transport, housing and economic development.

For our national wellbeing, Scotland must maximise the potential and opportunities that exist in Edinburgh and the South East as articulated in this Regional Prosperity Framework. Scotland's economic health is dependent on a thriving economy that protects the environment across the region. The Scottish and UK

Governments, national agencies and regional partners must align funding programmes and investment priorities alongside the wider contributions of private and 3rd sector partners including housing associations, voluntary/charitable organisations and social enterprises to ensure this success. This will secure maximum value for taxpayers' money and will attract business, create jobs and boost prosperity to benefit the region and the nation.

These innovative and ambitious projects require a collective approach to align strategy, investment and funding, and to deliver prosperity and wellbeing across the region and for the rest of Scotland. Government has been clear that the logical extension of the positive progress of City Region Deals is for regional collaboration to go further through the development of regional economic plans, with shared outcomes, responsibilities, and alignment of priorities and resources. An unrelenting focus on the strengths of place and communities is critical to planning for and ultimately realising meaningful change. The Scottish and UK Governments and regional partners must build upon the close partnership successfully established through the Edinburgh and South East Scotland City Region Deal and ensure that powers and resources exist to provide for coherent investment in the region's key strategic priorities.

This section sets out how the projects, big moves and themes converge into a framework for delivery. The Framework Action Plan will reflect a short-term focus (years 1-3), and it is envisaged that the action plan will be a live document, which will be updated frequently as projects are developed and delivered. The overarching Framework will be refreshed at 3 – 5 year intervals. Over the short, medium (years 4-6), and longer (years 7-10) term horizons, the City Region Deal; the regional pipeline of projects; and the identified "big moves" will all inform action plan updates. Further information on each element and how it links to Framework delivery is outlined below:

Delivering the Deal

In these uncertain times the £1.3bn ESESCR Deal provides certainty both in terms of investment but also the 15-year commitment made between the Deal signatories. The projects and programmes in the Deal provide committed investment, together providing a strong foundation to grow, leverage and develop opportunities for the regional economy.

The ESESCR Deal is of national importance with significant implications for Scotland's future growth. This Framework seeks to build on the ESESCR Deal and maximise our existing assets by outlining key measures, priorities and opportunities which have arisen from the collaboration and which respond to the economic and climate challenges that face us all. In addition, the existing collaboration ongoing across partners and the established working relationships from the City Region Deal have provided a platform from which this framework can further deliver benefits for our citizens.

Monitoring and Evaluation

Effective monitoring is essential to provide timely feedback and the ability to 'flex' projects if they are not delivering the intended benefits for our citizens. At the heart of the City Region Deal, a well-defined Benefits Realisation Plan, recognised for its best practice, has proved critical to the success of the Deal. The RPF will learn from this work, ensure resources and processes are in position and ensure that right data is held for all the regions to ensure a high quality of information to assess this ongoing work.

Pipeline Projects

The region has worked collaboratively to prioritise a pipeline of projects which can be delivered over the short to medium term (1-6 years) with the right investment and partnership approach to deliver against the three key thematic areas of the Regional Prosperity Framework.

Big Moves

The strategic programmes, partnership and approaches outlined in the 'Big Moves' section aims to ensure that the region delivers the vision and ambition of the Regional Prosperity Framework over the next 20 years.

Action Plan

An action plan with a short timescales focus will be regularly updated to ensure that the key projects and deliverables of the framework are live and area able to react and respond to future economic, societal and environmental factors to best meet the needs of our communities. We will continue to refine our approach to delivery based on evidence and the feedback from our citizens.

This action plan must be appropriately resourced to deliver on the strategy captured within this framework. It requires continued commitment from the 6 Local Authorities and key partners to drive the initiatives forward to build the society that our citizens demand. Long term investment commitments by the Scottish Government and Transport Scotland are being further developed in 2021 with regional partner involvement. The region needs to support this investment to maximise the positive impact across the region and the delivery of the national ambitions, monitor the outcomes and continually work with Scottish Government and Transport Scotland to react to changing circumstances within their 20 year investment programme.

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10. OVERSEEING CHANGE

The delivery of the change proposed within the Framework will require a significant collective effort from a range of organisations, alignment and influence on national and regional strategy/investment and long-term governance arrangements.

Key partners in the delivery of the Regional Prosperity Framework will include the Edinburgh City Region Deal signatories (the six local authorities, together with regional universities, colleges and the Regional Enterprise Council, UK and Scottish Governments), as well as a range of other organisations with a key national and regional roles such as Transport Scotland, Scottish Enterprise, South of Scotland Enterprise, SEStran and SUStran.

The successful delivery of the Framework and action plan requires each of its elements to be implemented in a coordinated way. An existing structure is already in place to support the delivery of the Edinburgh and South East Scotland City Deal, and this will be the basis of a broader public/private sector economic partnership to guide and monitor the long term delivery of the Framework in the long term.

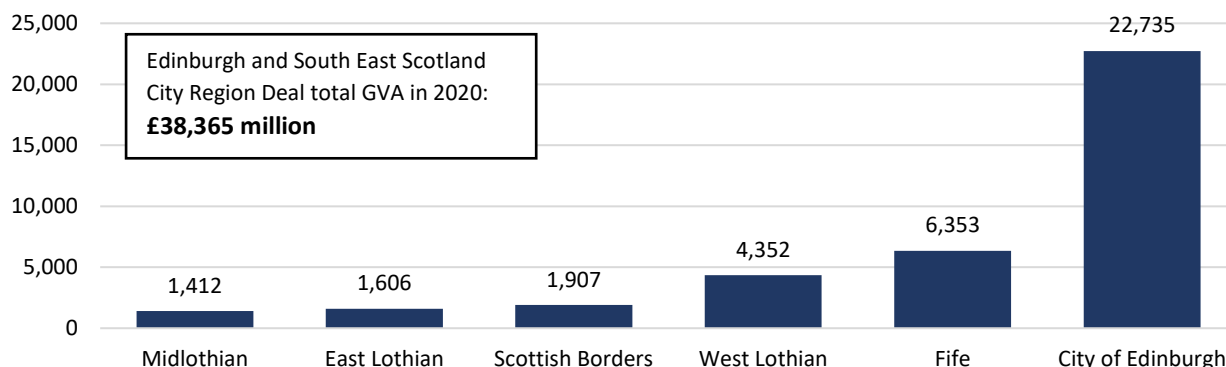
The Regional Enterprise Council – has already started to influence and shape the Framework and will continue to ensure that strong, effective leadership and input is provided across the public and private sectors.

The Elected Member Oversight Committee established in January 2021, ensures that that the Framework is developed and governed through to the delivery phase with the appropriate local level scrutiny.

The regional partners are committed to working together to develop and deliver our vision for the future of our region. We are keen to continue to focus on our strong relationship with national agencies, and the Scottish and UK Governments, to ensure that our regional efforts are both supported by, and contribute strongly to, the wider national context. We look forward to continued joint working to share and realise our Vision.

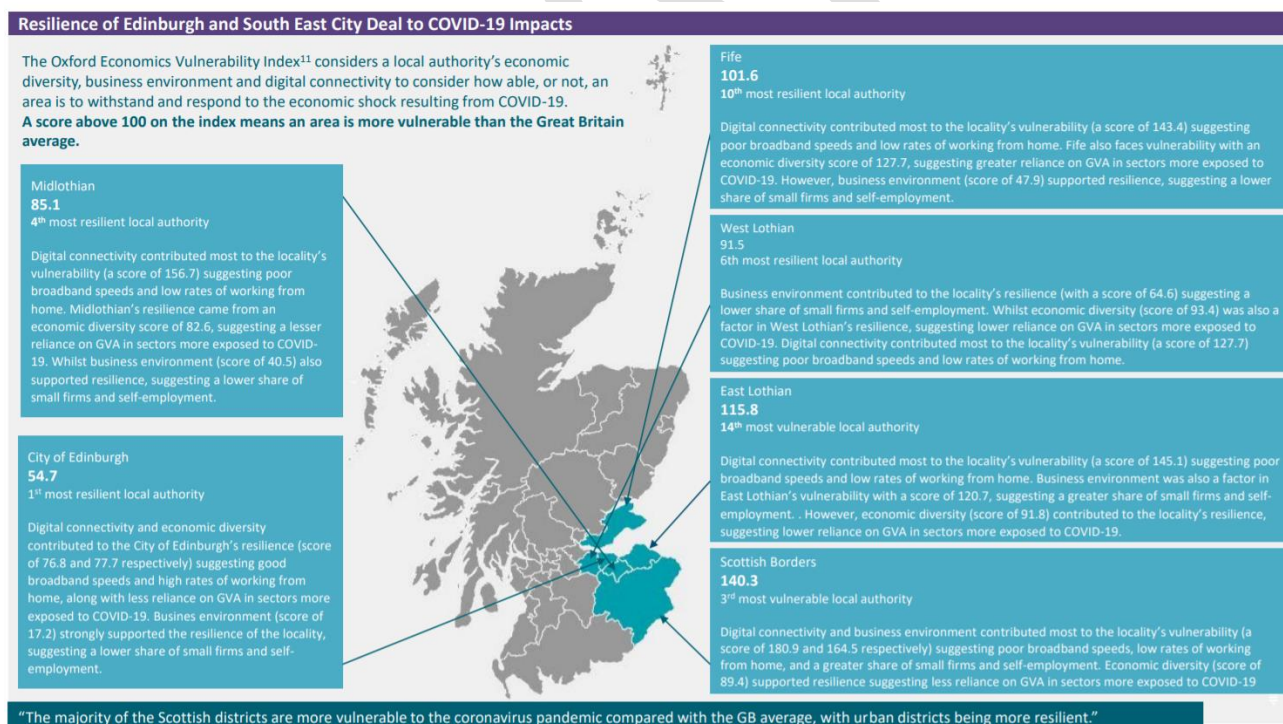
Economic Performance

Chart 1: City Region GVA 2020 (£m) by Local Authority



Source: Oxford Economics Forecasts (Skills Development Scotland)

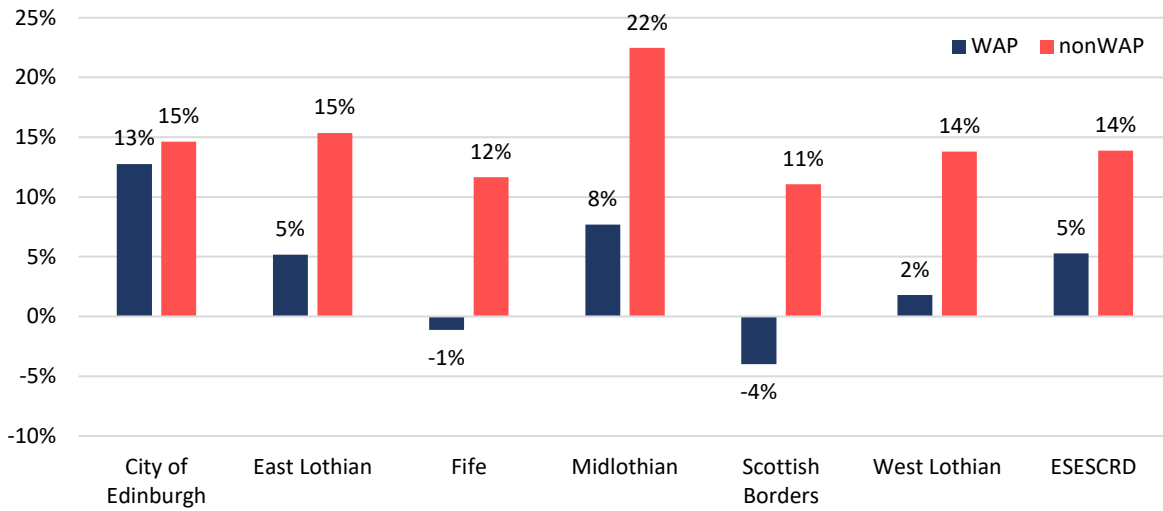
Figure 1: Oxford Economics Vulnerability Index – Edinburgh and South East Scotland



Population and Demographics

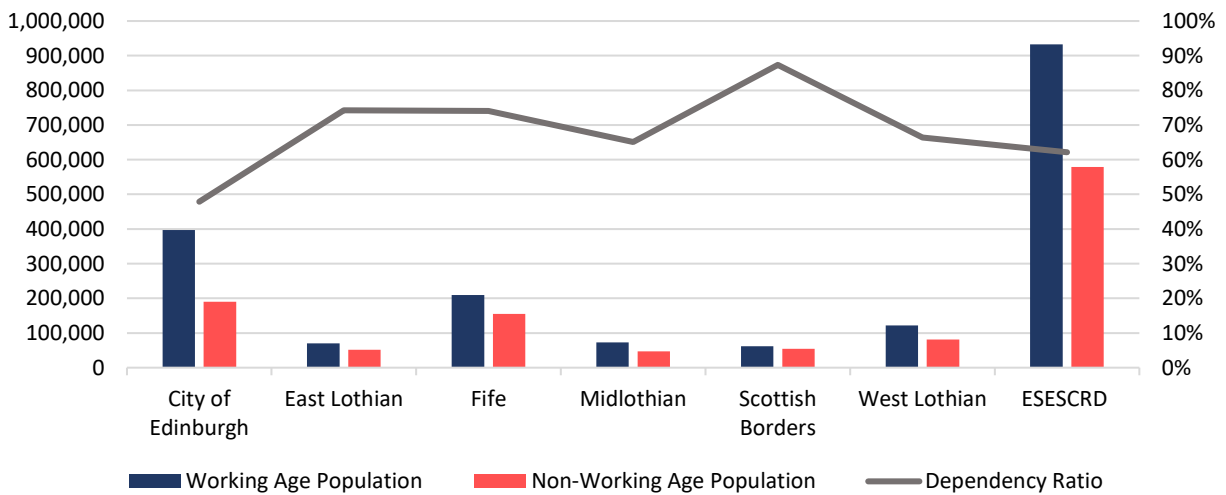
Percentage change in the 16-64 yea-old Working Age Population (WAP) and the non-Working Age Population (non-WAP) across the City Deal region between 2009 and 2019.

Figure 1: Percentage change in age categories by local authority 2009-2019



Source: National Records of Scotland

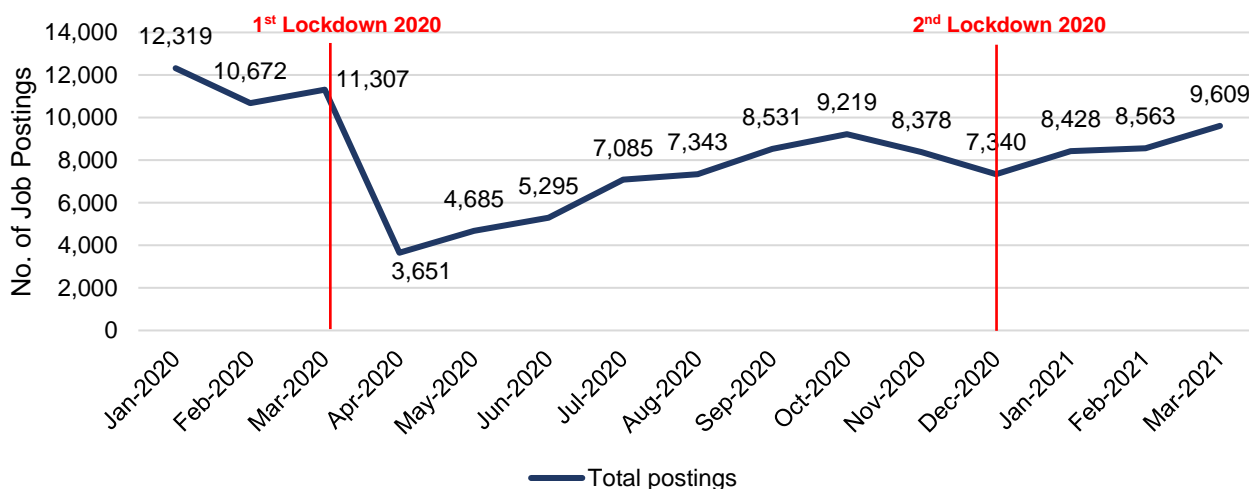
Figure 2: Population projections by age category and local authority in 2043



Source: National Records of Scotland (based on mid-2018 population estimates)

Labour Market and Skills Landscape

Chart 1: No. of Job Postings Jan 20 to March 21 – Edinburgh and South East Scotland



Source: Burning Glass Technologies (2021) *Please note that Burning Glass Job Postings data may not sum due to absence of information associated with some postings e.g. no salary information or SIC or SOC Code.

Table 1: Top Job Postings by 2 Digit SIC – Edinburgh and South East Scotland

Industry	Job Postings	% of Total Postings
Human health activities	10,581	22%
Education	7,396	16%
Public administration and defence; compulsory social security	3,914	8%
Retail trade, except of motor vehicles and motorcycles	3,044	6%
Financial service activities, except insurance and pension funding	2,919	6%
Social work activities without accommodation	2,318	5%
Activities of head offices; management consultancy activities	1,790	4%
Legal and accounting activities	1,323	3%
Residential care activities	1,249	3%
Food and beverage service activities	1,140	2%

Source: Burning Glass Technologies (2021)

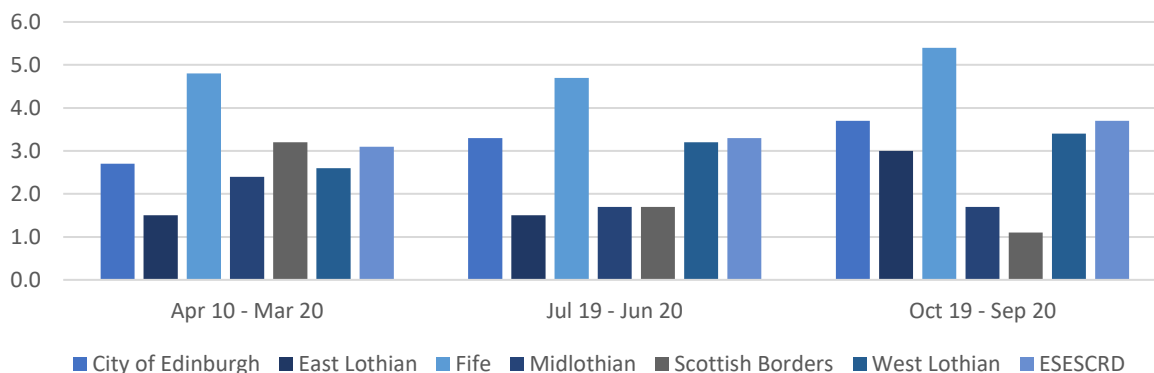
Table 2: Top Job Postings by 4 Digit SOC – Edinburgh and South East Scotland

Occupation	Job Postings	% of Total Postings
Programmers and software development professionals	5,706	7%
Nurses	3,568	4%
Care workers and home carers	3,440	4%
Other administrative occupations n.e.c.	2,107	2%
IT business analysts, architects and systems designers	1,975	2%
Managers and proprietors in other services n.e.c.	1,953	2%
Chartered and certified accountants	1,795	2%
Sales related occupations n.e.c.	1,650	2%
Customer service occupations n.e.c.	1,610	2%
Management consultants and business analysts	1,450	2%

Source: Burning Glass Technologies (2021)

COVID-19, BREXIT, and the Labour Market

Chart 1: Unemployment Rates (16-64) by Local Authority (%)



Source: Annual Population Survey (Labour Force Survey)

Chart 3: Number of People on Universal Credit in Edinburgh and South East Scotland (February 2020 – February 2021)

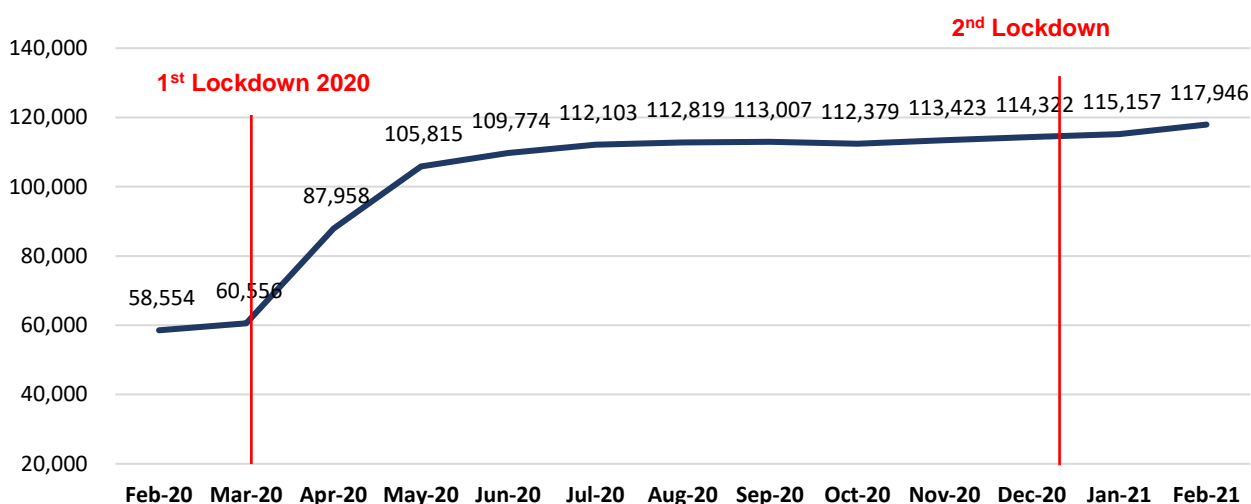
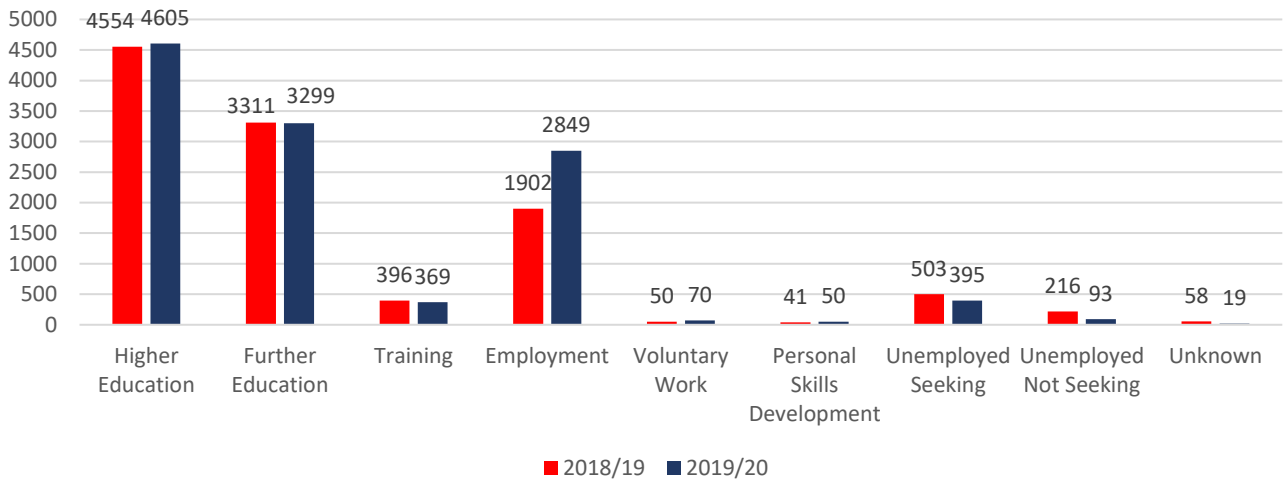


Table 1: Population by country of Birth, December 2019, and June 2020 (Thousands)

Area	EU Total (December 2019)	EU Total (June 2020)
Scotland	234,000	240,000
City of Edinburgh	46,000	47,000
East Lothian	4,000	4,000
Fife	15,000	15,000
Midlothian	5,000	3,000
Scottish Borders	4,000	2,000
West Lothian	12,000	14,000
ESESCRD Total	86,000	85,000

Source: National Records of Scotland (2020)

Chart 4: Initial School Leaver Destinations – Edinburgh and South East Scotland (2018/19 and 2019/20)



Source: Summary Statistics for Attainment and Initial Leaver Destinations, No. 3: 2021 Edition

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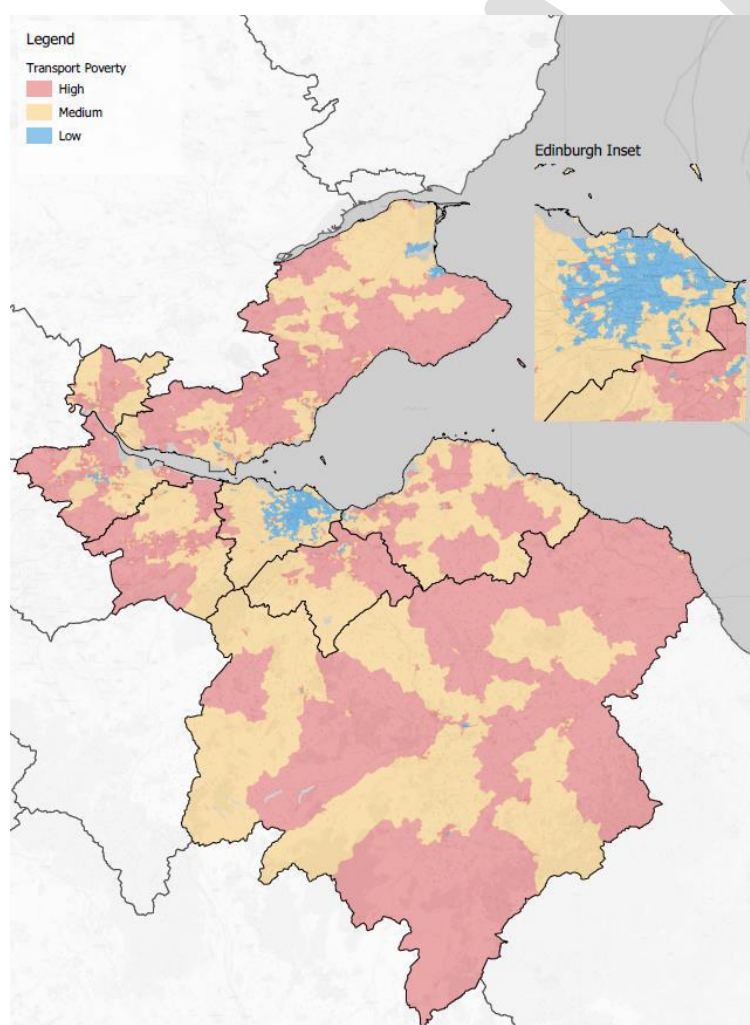
ANNEX 2

Transport Background

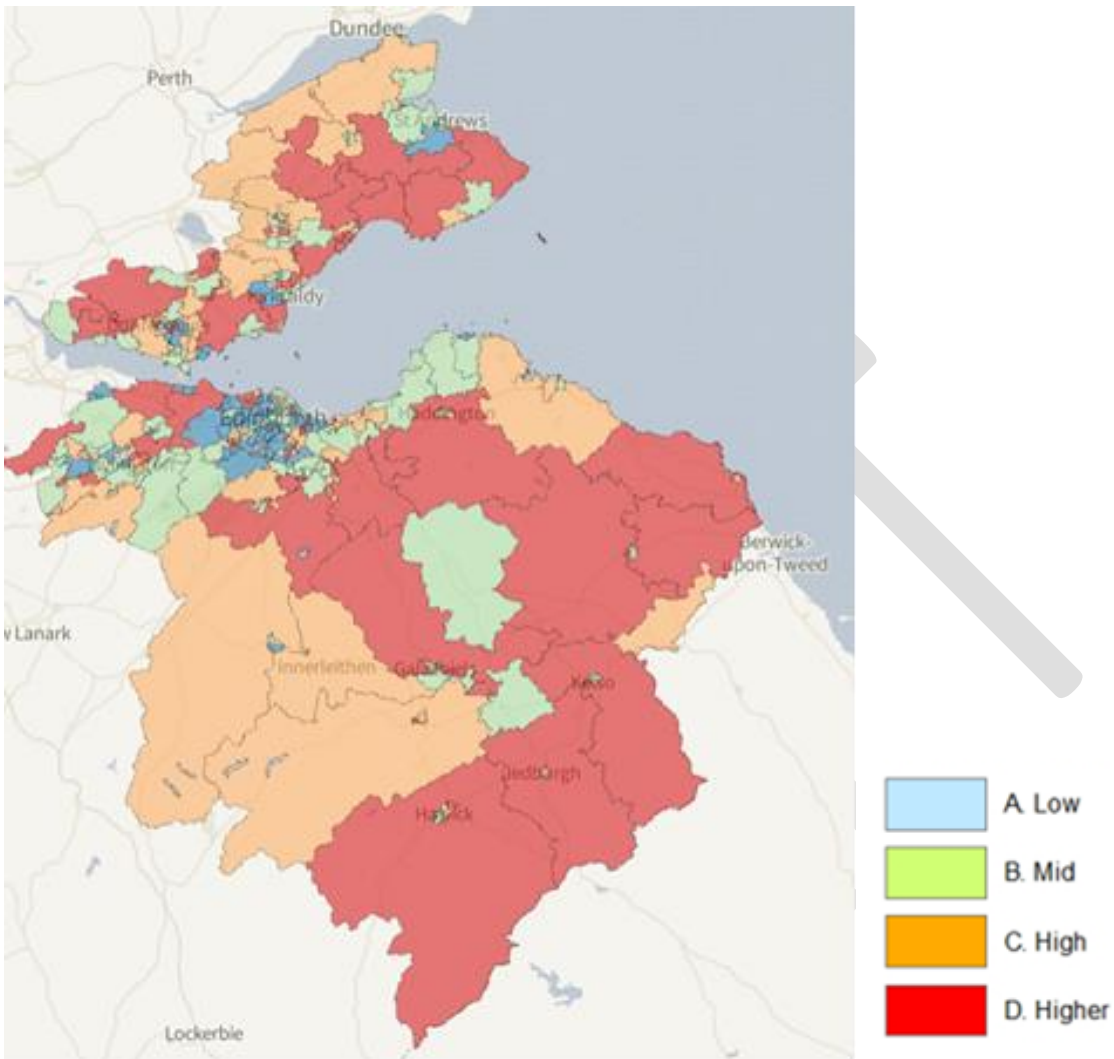
Workforce mobility is a barrier to employability, training and education across the region. It is evident that the transport barrier in Edinburgh & South East Scotland is not solely related to affordability. A number of factors have created a fragmented transport system, such as:

- patronage decline on the bus network since 2010,
- 5% of the population not connected to the public transport system,
- The majority of the City Deal region in medium and high transport poverty (SEStrans RTS Main Issues Report 2020);
- the need for more partnership working within the sector and across transport modes;
- multiple points of travel information,
- a plethora of ticketing structures/subsidies/concessions, and
- the lack of data-based route optimisation.

All of these elements have led to multiple barriers that include affordability, accessibility, complexity, integration and declining service provisions. Figure 1 from the SEStran RTS Main Issues Report 2020' highlights the majority of the region being at medium to high risk of transport poverty.



This is reinforced by the Workforce Mobility Deprivation Index that is a blend of 4 SIMD factors affecting citizen access to employment, training and education.



Workforce Mobility Deprivation Index – Scoring Methodology

15% Access Deprived	Income Deprived	Employment Deprived	Education Attainment	WFI / Score
A. None (0%) : 0 Points	A. Under 5%: 1 Point	A. Under 5%: 1 Point	A. Under 5: 4 Points	A. Low / 3 to 5
B. Under 25%: 2 Points	B. 5% to Under 10%: 2 Points	B. 5% to Under 10%: 2 Point	B. 5 to Under 5.5: 3 Points	B. Mid / 6 to 8
C. 25% to Under 50%: 4 Points	C. 10% to Under 15%: 3 Points	C. 10% to Under 15%: 3 Points	C. 5.5 to Under 6: 2 Points	C. High / 9 to 10
D. 50% or More: 6: Points	D. 15% or More: 4 Points	D. 15% or More: 4 Points	D. 6 or Higher: 1 Point	D. Higher / 11 to 18

Workforce Mobility Deprivation Index – Definitions

Component	Definition	Year
People living in 15% most 'access deprived' areas	Number and percentage of population living in 15% most 'access deprived' areas (data zones) in Scotland. Source: SIMD2020 via ScotPHO profiles	2018/2019
Population income deprived	Number and percentage of total population classified as income deprived within SIMD income domain. Source: SIMD2020 via ScotPHO profiles	2017
Working age population employment deprived	Number and percentage of working age population (16-64 years) classified as employment deprived within SIMD income domain. Source: SIMD2020 via ScotPHO profiles	2017
Educational attainment of school leavers	The score is based on school leavers' highest level of qualification, averaged across all leavers within a data zone. Source: Scottish Government via Statistics.gov.scot	2016/17-2018/19

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Local Authority Area Summaries

City of Edinburgh

About the region:

Edinburgh, the capital of Scotland, is an international hub for business, tourism, and research. Its rich history, lengthy record of innovation and creativity, iconic architecture, and vibrant culture makes Edinburgh a desirable place to live, work, visit, and study.

Edinburgh has a resilient knowledge-based economy. Productivity is high, averaging over £70,000 per worker (gross value added), unemployment is the lowest of any major UK city (with a Jobseeker's Allowance claimant rate of just 1.9% in December 2019), and gross disposable income is the highest outside of London.

- Key drivers of growth include the city's highly skilled population (over 50% of working-age residents are graduates)
- Edinburgh is an international hub for financial services and technology. The city also benefits from buoyant tourism and a strong higher education sector.
- The city is increasingly focusing on ensuring growth is sustainable and inclusive.

Edinburgh has been an international centre of learning since the renaissance, a financial services hub since the 17th century, and a centre for science and technology since the industrial revolution. Today, Edinburgh combines these long-established capabilities with strengths in modern sectors such as film and contact centres.

Key regional characteristics include:

- Edinburgh has a population of 525,000. The city has grown steadily in recent years, with annual net growth of around 1% (5,000 new residents each year).
- In 2019, JLL ranked Edinburgh the 15th top city in the world for talent concentration in its Innovation Geographies index. Edinburgh is a popular destination for international workers. In the 2020 Global Talent Competitiveness Index - a ranking of cities by their ability to grow, attract, and retain talent - Edinburgh ranked second in the UK and 45th worldwide.
- Each August, Edinburgh hosts the world-famous Edinburgh International Festival and Edinburgh Festival Fringe, along with a myriad of other world leading events like 'Edinburgh's Hogmanay'.
- Edinburgh is a hotbed of scientific discovery and technological progress. The city's four universities, two colleges, and other research institutes have world-leading capabilities in disciplines include medical science, animal bioscience, software, electronics, and energy.
- The city has set an ambitious goal of becoming carbon neutral by 2030.

Key Sectors include:

- Software & Technology
- Financial Services
- Tourism
- Higher Education
- Film & Television
- Food & Drink
- Contact Centres

East Lothian

About the region:

East Lothian is part of the Edinburgh city region and is located to the east of Edinburgh's suburban edge. The area measures approximately 270 square miles in area, and includes 43 miles of coastline. The area currently has a population of around 100,000 people, and by 2035 this is anticipated to grow to 130,000.

East Lothian has a relationship with the wider region, but it offers something different. It has wide variety of high quality built and natural environmental capital and, with countryside and coast, an abundance of leisure tourism opportunities. All this is within easy access of Edinburgh and places East Lothian in high demand as a place to live, learn, invest, work, recreate and to visit. East Lothian has to strategic economic aims and these are to increase the number of business in the area and the number of jobs.

The area also has a number of strategic long term and transformational projects and opportunities, which will be a focus of East Lothian's economic recovery and renewal, including:

- Food & Drink Innovation Hub and Edinburgh Innovation Park - adjacent to Queen Margaret University there are plans to deliver a state of the art food and drink innovation facility being the initial phase of a wider Edinburgh Innovation Park supported by partial funding from City Deal. The Hub and EIP will drive company growth, develop existing and sustainable new businesses to access a global market for healthy and functional food;
- ClimatEvolution Zone, including Blindwells New Town and the redevelopment of the former Cockenzie Power Station site. – there are plans for strategic shared infrastructure and land remediation here to deliver a significant new town with new regional town centre, and to redevelop the former power station site. Taken together, these projects present significant development potential for a wide range of uses and to create a new low carbon destination and attractor, with delivery supported City Deal;
- Torness Nuclear Power Station site - there will be a need to consider the future of this site as the current generating licence extends to 2030, but an extension to this is not ruled out. Key considerations will be decommissioning the site, utilisation of the grid connection, and future land use where deep water harbouring opportunities exist adjacent to the strategic transport network.

Key regional characteristics include:

- One of the fastest rates of population growth in Scotland, and the region;
- the lowest job density in the region, with around 50% of the working age population commuting from the area to work across boundaries;
- significant leakage of expenditure across boundaries, particularly from the west of East Lothian to other nearby areas, impacting town centres and equalities;
- significant investment will be required to overcome the transport, education and other infrastructure constraints, including to address climate change targets and effects;

Key sectors include:

- Tourism
- Small and medium size enterprise
- Farming, fishing and food and drink
- Education, health and bio and life sciences
- Renewables
- Care

Fife

About the region:

Fife is home to 373,550 people, and over 10,000 businesses. It makes a significant contribution to the Scottish economy with an annual business turnover of around £12,500 million.

A peninsula set between the Firth of Forth and Firth of Tay its coastal path and award-winning beaches encircle most of the area. It contains a mix of urban and rural areas, from large settlements to significant areas of undeveloped forest and woodland, including the Lomond Hills. Known around the world as the 'home of golf', Fife offers a total of 48 golf courses.

Key regional characteristics include:

- Scotland's third largest local authority by population size.
- Strong tourism industry worth over £650m annually (2019).
- The average age for residents of Fife is projected to increase significantly over the next decade.

These sectors offer significant opportunities, however, there is also a recognition that Fife, particularly the Mid-Fife area, continues to suffer from long standing socio-economic issues that limit its economic growth:

- Earnings and productivity are lower than the national averages.
- Business start-up rates remain below the Scottish averages.
- There are higher than average rates of youth unemployment and
- Areas of deprivation persist in some parts of Fife (particularly Mid-Fife).

Key sectors include:

The Fife Economic Strategy 2017 – 27 identifies eight key economic sectors where Fife has a particular strength or that are growing strongly :

- Energy & Renewables
- Manufacturing
- Finance & Business Services
- Tourism
- Food & Drink (including agriculture)
- Health & Social Care
- ICT and
- Construction

Midlothian

About the region:

Midlothian lies in the east-central lowlands, bordering the City of Edinburgh, East Lothian and the Scottish Borders local authority areas. The region covers 354 square miles and has a population of approximately 92,500, and encompasses seven urban centres and is surrounded by rural communities. Midlothian has a range of vibrant outdoor spaces, dedicate sports facilities, cycle routes and country parks which support diverse health, social and economic outcomes.

Key regional characteristics include:

- The fastest growing local authority area in Scotland, with an increase in households of 15% over the past decade
- Midlothian is the 4th most resilient local authority in Scotland
- Approx. 55% of the working age population commuting from the area to work across boundaries;
- Midlothian has some areas in the top 20% of deprivation and child poverty for Midlothian in 18/19 was 23.2%, the latest figure for 19/20 is 23.9%.
- Scottish Government statistics show that 94.5% of school leavers in Midlothian were in 'positive destinations' during 2019/20.
- Committed to reducing carbon emissions in Midlothian to net zero by 2030

The vision for economic growth is for Midlothian to be a recognised area in which to live, work, visit and do business with an economy that is sustainable, inclusive and ambitious.

Key sectors include:

- Life Sciences - The internationally recognised Midlothian Science Zone is a world-leading centre for research in animal science and food security, and is the largest concentration of animal related expertise in Europe.
- Data Driven Innovation - Midlothian and the University of Edinburgh have invested heavily in DDI and our Newbattle Digital Centre for Excellence prepares young people with the data and digital skills for the future world of work, fostering digital inclusion and enabling young people to engage in a wider programme around data skills.

Midlothian's Economic Priorities are to integrate the region with the regional economy and promote the region internationally

- To improve the skills landscape
- To increase economic participation
- To build on the success of our key sectors
- To improve the vibrancy of our town centres and make them more environmentally friendly
- To accelerate growth through infrastructure upgrades and reduce carbon emissions

Scottish Borders

About the region:

The Scottish Borders geographically is one and half times that of the rest of the other local authority areas which form the City Region. The region is 1,827 square miles and has a population of 115,270.

However, much more than simply size it is the combination of characteristics across the Scottish Borders, which give it its distinctiveness particularly when assessed against the rest of the ESES region.

Key regional characteristics include:

- rurality and geographic scale
- significant natural capital
- Strong agriculturally offering (farm to fork)
- Culture, history and sport create a strong tourist market and the hospitality sector, with significant capacity for growth
- Significant Net-Zero potential with a commitment to reducing carbon emissions to net zero by 2045
- Resilient communities with strong local identities
- Borders and partnership working with Dumfries & Galloway and the north England counties of Cumbria and Northumberland.
- Strong educational attainment and progression into positive pathways as highlighted with Borders College.

Key sectors include:

- Manufacturing
- Wholesale and Retail
- Construction
- Agriculture

Scottish Borders Economic Strategy 2013 – 2023 - Vision for the economy:

- Creating the conditions for businesses to compete - reflecting our entrepreneurial strength and the need to create the conditions for businesses to grow, and/ or to attract entrepreneurial people;
- Building on our assets - attracting and retaining people and growing businesses will be helped by what the Scottish Borders as a place has to offer and by our ability to maximise our assets;
- Developing the workforce of the future - fundamental to future prosperity and competitiveness is the supply of, and demand for, a skilled workforce. As there are fewer jobs available here than residents in work, people are travelling outside the area for work and this means economic performance is lower;
- Providing leadership - essential for successful economic development to be achieved, leadership will also help deliver other policy and organisational priorities too – around education, health, and the public good.

West Lothian

About the region:

The area is strategically located between Edinburgh and Glasgow at the hub of the wealth creating, central Scotland metropolitan region, identified as key to Scotland's future economic growth.

West Lothian has actively managed and facilitated change over many decades. It has moved on from its industrial past and built on its post-industrial legacy to re-emerge as a progressive and diverse place for people to live and work.

West Lothian is strategically located in the Central Belt of Scotland and is well served by a number of motorways and trunk roads and it has direct rail links from twelve rail stations to Edinburgh, Stirling, Glasgow and beyond. West Lothian's central location and excellent business and labour market connections make the area an important economic hub.

The area's business base includes both SMES and multinationals with global connections and reputations. Over the last decade it has become clear that global and technological change is a constant, and West Lothian has successfully demonstrated its capacity to respond to challenges and reinvent itself as a business location.

Over the last five years, West Lothian has seen increasing levels of school leavers achieving a positive destination:

- 93% of school leavers entered a positive destination in 2019/20 comparable to the Scottish national average.
- Progression into higher education at 43% is at its highest level in ten years.
- A quarter of leavers have gone into further education (26%) and around 19% of young people entered employment.

Effective working with Skills Development Scotland, local further education and training providers and other Community Planning Partners has improved support and opportunities available to young people in the region.

Key regional characteristics include:

- West Lothian has a population of about 183,100
- One of the youngest and second fastest growing in Scotland (with an average age of 41 compared with 42 across Scotland)
- Levels of employment and economic activity remain high in West Lothian
- 77% of West Lothian's working age population are economically active
- There are 78,000 jobs based in West Lothian
- Some 4,700 businesses are known to be operating in West Lothian
- At 5.5%, unemployment in West Lothian remains lower than the 6.0% rate of Scotland.

Key sectors include:

- Biotech & life sciences,
- Logistics & distribution,
- Electronics & software,
- Engineering,
- Construction,
- Food and drink manufacture,
- Retail and creative industries.

Consultation Process

This Framework has been shaped by an extensive consultation process, during which the officers listened and acted upon comments and suggestions from organisations and members of the public from across the region. Listed below is a snapshot of the key activities which have shaped this framework.

- A draft version of the framework was produced by officers from across the six local authorities and partners including Scottish Enterprise.
- This version was communicated out to the Elected Members Oversight Committee (EMOC), as well as Directors from across the local authorities for feedback and approval to proceed to public consultation.
- Colleagues at Edinburgh Council supported the RPF by hosting the framework on the consultation hub, which was set to run for a period of six weeks.
- Towards the end of the six weeks, the team also facilitated two online discussions on a virtual platform, designed to engage with members of the public to assess the priorities identified within the framework.
- As the public consultation ended, feedback was received in three formats:
 - Feedback on the consultation hub;
 - Feedback from the two hosted discussions and the participants' responses; and
 - Email feedback, largely from organisations (e.g. Scottish Government).
- The team then analysed these responses, aggregating them into the appropriate themes (e.g. transport, environment etc.) which were then considered in full.
- Each theme was considered against the draft framework to revise the content within to reflect the views communicated with the team.
- These views are now reflected within this version of the framework, which has been issued through the necessary governance cycles.

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Edinburgh and South East Scotland City Region Deal Joint Committee

10am, Friday 3 September 2021

City Region Deal Annual Report 2020/21

Item number 5.5

Executive Summary

Each year, the City Region Deal Programme Management Office is required to produce an annual report to assess how well the City Region Deal is aligning towards the overall vision and inclusive growth outcomes for the city region.

The Edinburgh and South East Scotland City Region Deal Annual report summarises progress of the Programme for the third year since the signing of the 15-year programme (August 2020 to July 2021).

The report contains a City Region Deal overview, Financial Statement (for the financial year 2019-20), a short summary of progress on each project and programme and expected milestones to be achieved in the next year. Case studies are included across the report.

The report demonstrates significant progress across the 24 projects and programmes within the City Region Deal. While COVID-19 affected the delivery of some of the projects all are considered to be within acceptable time and budget parameters.

Steve Grimmond

Chief Officer, Edinburgh and South East Scotland City Region Deal

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Edinburgh and South East Scotland City Region Deal Joint Committee

City Region Deal Annual Report 2020/21

1. Recommendations

- 1.1 To note the appended annual report.

2. Background

- 2.1 Each year, the City Region Deal Programme Management Office is required to produce an annual report to assess how well the City Region Deal is aligning towards the overall vision and inclusive growth outcomes for the city region, as stated in Paragraph 3.24 of the [Deal Document](#):

To assess how well the City Region Deal is aligning towards the overall vision and inclusive growth outcomes for the city region, the PMO will produce an Annual Report on all City Region Deal activity. The template for the Annual Report will be agreed with Government. The reports will be presented to the Governments and the Regional Enterprise Council annually.

3. Main report

- 3.1 The Annual Report for 2020/21 is an overall progress report for the City Region Deal programme between 1 August 2020 and 31 July 2021, with the exception of the Financial Statement which contains financial information for the Financial year 2020/21.
- 3.2 It contains a City Region Deal overview, Financial Statement, a short summary of progress on each project and programme and expected milestones to be achieved in the next year. Case studies are included across the report. There is also a short update on the Regional Prosperity Framework, which is the subject of a separate report to this Committee.
- 3.3 The report demonstrates significant progress across the 24 projects and programmes within the City Region Deal. While COVID-19 affected the delivery of some of the projects all are considered to be within acceptable time and budget parameters:
- 6 projects are in Stage 1: Define, which means that the project's business case is yet to be completed (6 in August 2020),
 - 13 are in Stage 2: Implement, which means that the project's business case has been approved by Joint Committee and is in the process of being implemented (13 in August 2020)

- 5 are in Stage 3: Deliver, which means that the project has been implemented and is working towards delivering its objectives (3 in August 2020)
- 14 projects are considered to be on target to be completed on time (green score) or have been completed on time (6 in August 2020)
- 10 projects are delayed, but considered to be within an acceptable range, with management action in place to address the issue (amber score). (18 in August 2020)
- 19 projects are considered to be on target to be completed within the specified budget (green score) or have been completed within the specified budget (15 in August 2020)
- 2 projects are projected to cost more than the specified budget, but considered to be within an acceptable range, with management action in place to address the issue (amber score). (6 in August 2020)

3.4 £64.83 million of Government money was drawn down in the 2020/21, with £62.48 million on Capital projects and £2.35 million on the Revenue programme.

3.5 As well as delivering on the projects in the Deal, the annual report demonstrates that the Governance structure, established to manage City Region Deal activity, has also enabled effective and strong regional partnership working on important cross-regional activities, including:

- Bidding into Phase 1 of the Bus Partnership Fund and securing £3 million to improve bus travel across the region (led by the cross-regional Transport Transition Group);
- Developing, consulting on, and publishing a Regional Prosperity Framework, which will be a catalyst for Regional Prosperity (led by a cross-regional officers' team, steered by the Regional Enterprise Council and overseen by the Elected Member Oversight Committee); and
- Offering a shared view for the future of the region on key consultations and policy changes, including: the Advisory Group on Economic Recovery, the Logan Review, the Union Connectivity Review and the implementation of the Shared Prosperity Fund (through the Directors' Group, Executive Board and Joint Committee)
- Continued to progress cross-regional programmes which started the previous year as responses to the COVID-19 pandemic, including the delivery of the [Bus Priority Rapid Deployment Fund measures to prioritise public transport](#) and increasing the numbers of employers advertising on the [COVID-19 jobs portal](#).

3.6 Looking ahead towards 2021/22, significant developments in project delivery are expected including:

- Official opening of first office building at Borders Innovation Park (Phase 1) in autumn 2021;
- Commencement of junction works at Queen Margaret University for Food and Drink Innovation Hub in autumn 2021;
- Launch of Community Benefits Wishlist Portal (ESESCommunities.org) in winter 2021;
- Completion of the Dunard Centre Revised Business Case in spring 2022;

- Completion of the West Edinburgh Transport Improvement Plan Business Case in spring 2021;
- Opening of the National Robotarium at Heriot-Watt University in spring 2021;
- Full launch of [DataLoch](#) in summer 2022.

4. Financial impact

- 4.1 There is no financial impact relating directly to this report.
- 4.2 The Financial Statement shows that £64.8 million of Government money was drawn down in 2020/21, in line with the financial plan.

5. Alignment with Sustainable, Inclusive Growth Ambitions

- 5.1 Inclusion and sustainability are key drivers for the City Region Deal, and strategic added value 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.
- 5.2 The [City Region Deal Benefits Realisation Plan](#) (BRP) was approved on 4 September 2020. This incorporates indicators that align with the Scottish Government's Inclusive Growth Framework. The impact on equalities, human rights and sustainability will also be measured. A BRP Implementation Plan is currently being developed, with input from key stakeholder groups within and outwith the City Region Deal Governance structure, including a range of representatives from other Scottish City Region and Growth Deals and Scottish and UK Government Departments. As part of this, a viability study, to enhance the monitoring, evaluation and on-going management of the outcomes and impacts of the Deal, is being conducted.
- 5.3 In August 2021, Scottish and UK Government have provided joint guidance for project owners on managing potential carbon emissions associated with Scottish City Region and Regional Growth Deal projects. It accords with HM Treasury Green Book requirements and supports the quantification and minimisation of whole life carbon and the identification of potential barriers to achieving net zero. A workshop with ESESCR Deal project leads has been scheduled for September 2021 to explain the guidance and agree actions required. An update will be provided to the next Joint Committee.

6. Background reading/external references

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

7. Appendices

- 7.1 City Region Deal Annual Report 2020/21



**CITY
REGION
DEAL**

Edinburgh
& South East
Scotland

ANNUAL REPORT 2020-21

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EXECUTIVE SUMMARY

Key Achievements



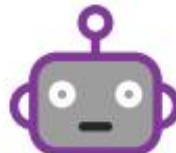
£65 million of Government investment released in 2020/21.
£168 million in total since August 2018.



£50m Housing Infrastructure Fund is up and running, with over £4m drawn down for Dunfermline.



18 out of 26 business cases now approved and are either being implemented or already delivering benefits.



£22.4m purpose-built National Robotarium under construction, and will open in early 2022.



1600 employers have advertised over 3800 vacancies on the COVID-19 jobs portal within the region.



Over 45,000 enrolments at DDI university-credited qualifications and courses on campus and online, and almost 340,000 engaging in less formal training.



Data Skills Workforce Development Portfolio expanded from 5 to 15 courses, with 442 enrolments in data science online learning programmes.



Entire Research, Development and Innovation theme now being implemented, which amounts to £791m - over half of the City Region Deal.



£3m secured from the Bus Partnership Fund Phase 1 to improve transportation and tackle the effects of congestion and developing fuller bids.

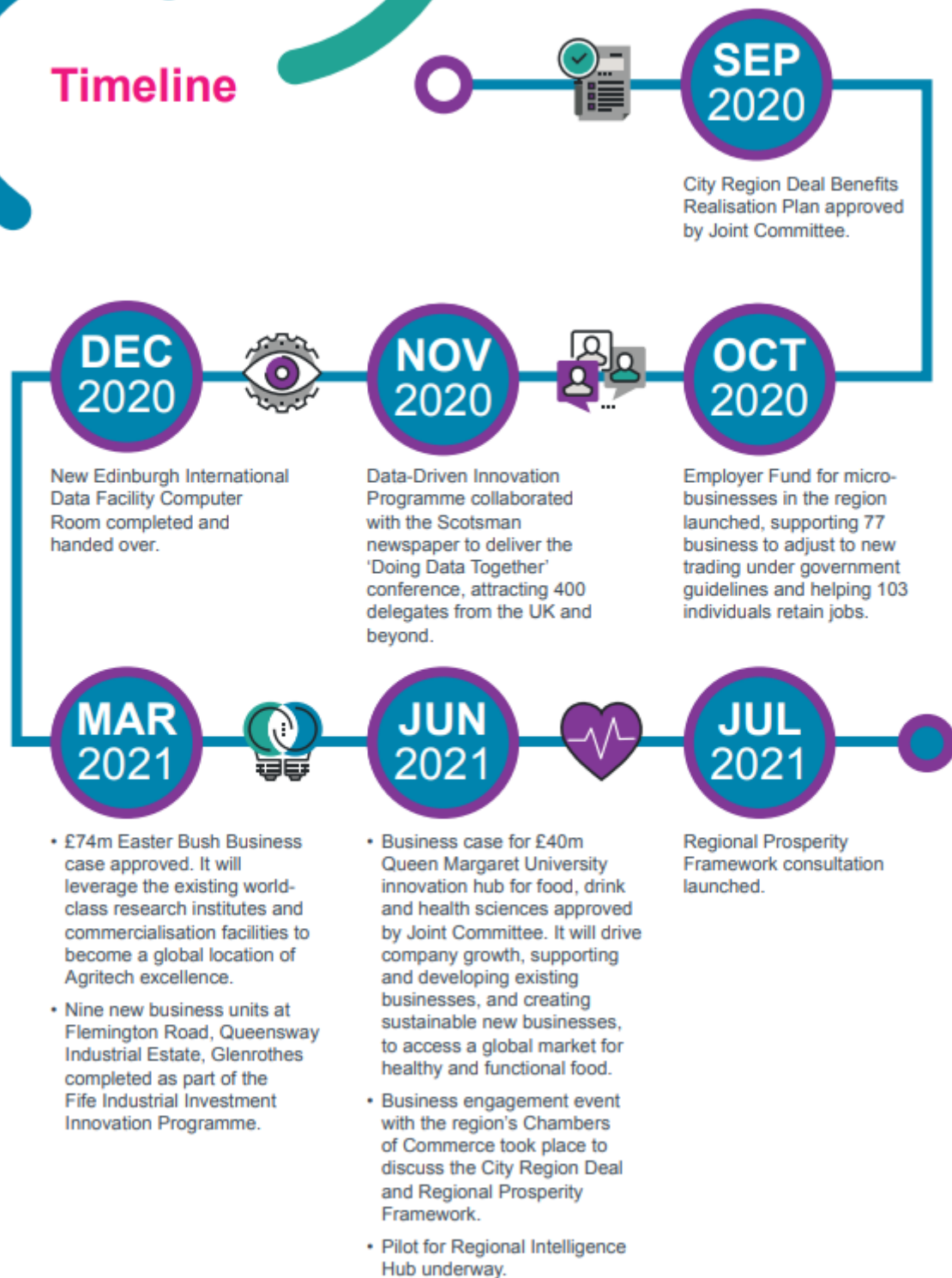


Edinburgh Living Housing company owned by the City of Edinburgh Council - More than 250 families have moved into quality affordable homes.



Work has commenced to select the design team and finalise designs for the food and drink innovation hub in East Lothian, a project funded with £40m through the City Region Deal.

Timeline



Read more about participant experiences throughout the report.

Delivering Results

“Through the Data Skills for Work Programme and with Data Skills Credit Funding, I completed an SQL for Data Course... That was a good call. I needed to use SQL in the very first week of my job” (p.44)

“I put off learning a new programme for so long because I was afraid of being overwhelmed but the course pushed me to start, and it was actually very easy to learn” (p.44)

“Being part of the Fife i3 Programme has allowed us to keep expanding the business... from the same inputs we now produce more useable products and less waste” (p.36)

“Most Gaelic archives couldn't previously be digitalised, the software to do that didn't exist. But we have now developed that software and so Gaelic archives and expeditions can get digital footfall. It's a way of helping their recovery after the pandemic” (p.21)

“I previously never thought that data science could be a career option for me. But now I think - yes I can do this!” (p.41)

“In the early days of the pandemic, students were working all night to get the evidence reviews turned around in time for policy-makers to make the decisions they needed to. Funding from DDI has enabled us to take on two pieces of work for Public Health Scotland” (p.30)

“Investment in the food and drink innovation hub is exactly the kind of catalyst to make collaborative working between Scotland's universities, research base and our food and drink producers happen” (p.32)

“DairyMine ... will help the dairy sector to recover strongly from the pandemic. The more data we have, the easier it is to find patterns in the data” (p.18)

1 FOREWORDS

Cllr David Ross and Cllr David Alexander Conveners of the Edinburgh and South East Scotland City Region Deal Joint Committee

We are three years into the £1.3 billion City Region Deal and, despite challenging circumstances, partners have continued to make great progress on its delivery.

The regional collective - which brings together six local authorities, four universities and six colleges and our Regional Enterprise Council, which provides the voice of the business and third sector - is successfully implementing the Deal as a partnership of equals.



Cllr. David Ross



Cllr. David Alexander

Joint Committee approved four new business cases this year: The Fife Industrial Innovation Phase 2 investment in infrastructure and modern business premises to support economic development; Easter Bush to become a global location of Agritech excellence; Dunfermline Housing (one of seven key strategic areas of change and growth) and the Queen Margaret University Innovation Hub for Food, Drink and Health Sciences. Eighteen projects and programmes, accounting for 90% of the overall Deal, have now been had their business cases approved for implementation.

Our robust governance enabled us to respond quickly to challenges and opportunities. Last year, we successfully secured £3 million from the Bus Partnership Fund (phase 1), £1.8 million for the Bus Priority Rapid Deployment Fund and £410,000 from the Regional Recovery Fund to support Community Wealth Building, regional tourism, the development of a Regional Prosperity Framework and a feasibility study for a data platform to assess outcomes and impacts of City Region Deals.

The City Region Deal is a fantastic example of regional partners, Scottish and UK Governments working jointly to realise our regional ambitions for accelerating inclusive growth, sustainability, prosperity and well-being. We have helped to inform the Advisory Group on Economic Recovery, the Logan Review, the Union Connectivity Review and the implementation of the Shared Prosperity Fund.

Considerable effort has gone into the new Regional Prosperity Framework, which builds on the success of the regional partnership to develop an ambitious 20-year vision for the regional economy to 2041, offering a pipeline of investment opportunities to drive sustainable growth.

We look forward to continuing to work together to create opportunities for the sustainable investment needed to realise our ambitions for a strong and sustainable economic recovery, where the benefits are enjoyed by all.

Claire Pattullo **Chair of Regional Enterprise Council**

It has been a pleasure to reflect on the significant progress made in Year 3 of the Edinburgh and South East Scotland City Region Deal. The REC was formed in November 2018 to advise the Deal's decision-making body, the Joint Committee, on the delivery of projects across the city region. In directly participating on the Joint Committee, we represent business and the third sector across the region and help to ensure that the benefits from the Deal support our shared ambition for achieving sustainable and inclusive economic growth throughout the city region. This influence has been further extended in the past year with strong REC representation on the Elected Member Oversight Committee - which has shaped the ambition and strategic direction of the Regional Prosperity Framework.



Claire Pattullo
Chair, Regional Enterprise Council

REC members bring a broad range of experience, expertise and wide networks to best represent business and the third sector across the city region; and this has been further boosted this year as we welcomed representatives from the Region's Chambers of Commerce and the Federation of Small Business.

REC members actively contributed to the Regional Prosperity Framework vision, and we have continued to help shape the City Region Deal's Benefits Realisation Plan, ensuring that the Deal's inclusive growth focus to reduce inequality and increase wellbeing is at the forefront of its ambition. Guidance has been directly given to strategic sites for housing developments and we are pleased that the Dunfermline Strategic site has received approval. We have encouraged activities to enhance placemaking and that as many construction opportunities as possible go to local people with the help of the Housing and Construction Innovation Skills Gateway and Employer Engagement Initiative. Opinion has also been provided for example on the Logan Review and International Strategy.

The REC is particularly determined to promote the use of Community Wealth Building, to ensure that every Deal programme works together to maximise synergies. The REC advocated for funding for a regional Community Wealth Building project, support which helped secure £185k, of Regional Recovery and Renewal funding to amplify best practice across the city region including Community Benefits, Regional Supply Chain and Fair Employment. This grant was the largest out of the four regional projects backed by the fund.

We look forward to promoting inclusive growth ambitions still further through both City Region Deal activities and wider regional collaboration.

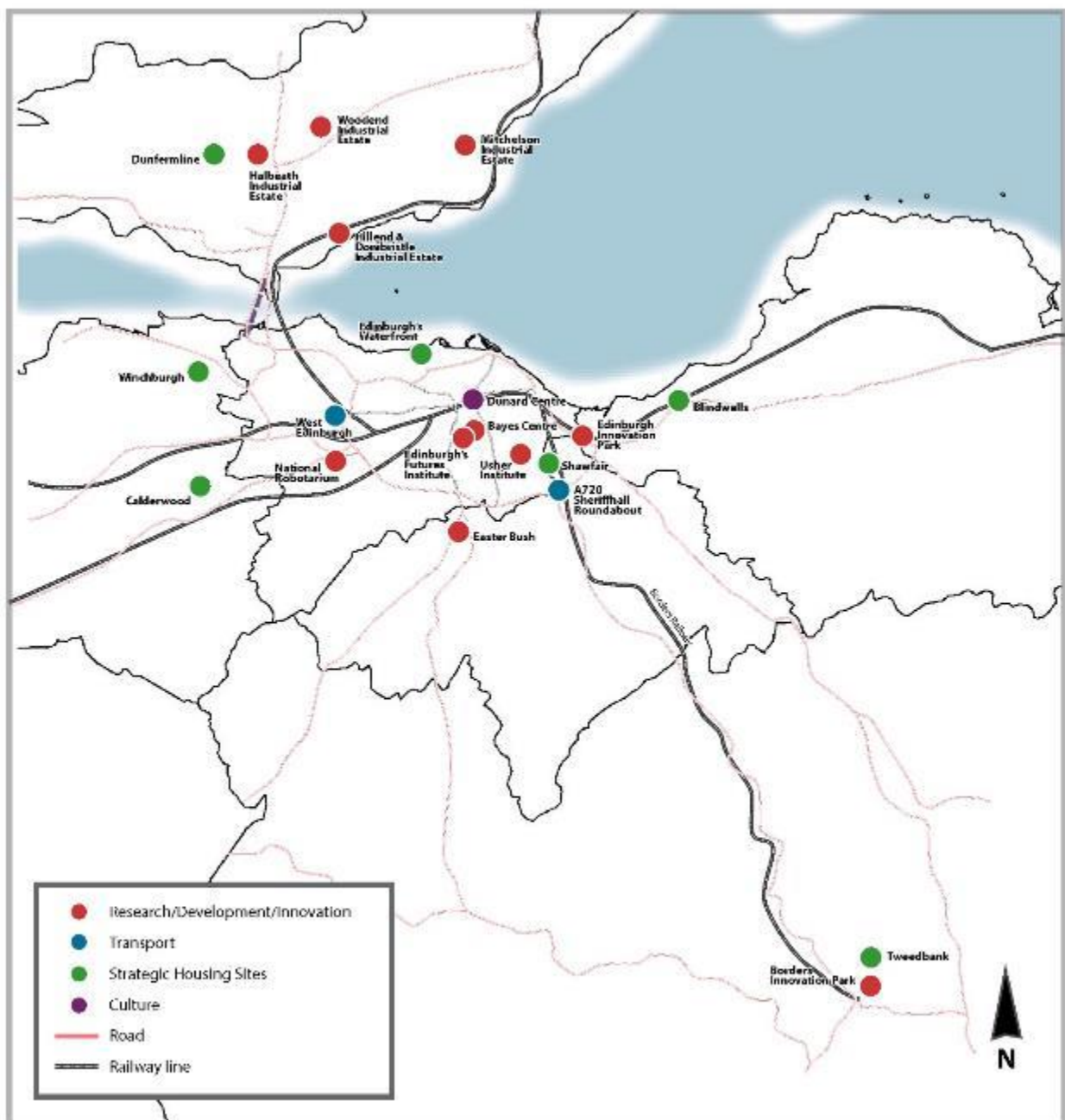
2. CITY REGION DEAL OVERVIEW

STATUS OF PROJECTS AND FINANCES

The Edinburgh and South East Scotland City Region Deal is a £1.3 billion, 15-year programme aimed at driving productivity and reducing inequalities through five key themes:

- Research, Development and Innovation: £791 million
- Integrated Regional Employability and Skills: £25 million
- Transport: £156 million
- Culture: £45 million
- Housing: £313 million

The map below shows where the projects are located across the region:



The 24 City Region Deal projects are listed in the Table below. More detail on the projects, including their current status in Section 4.

Table 1: Status of Programmes and Projects – August 2021

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

Transport					
West Edinburgh	City of Edinburgh	TBC	1. Define		
A720 (Sheriffhall Roundabout)	City of Edinburgh/ Midlothian	TBC	1. Define		
Culture					
Dunard Centre	City of Edinburgh	Dec 18 *	1. Define		
Regional Housing Programme	Cross-regional	Sep 19 (work programme report)			
Affordable housing programme	Cross-regional	N/A	1. Define (and 3. Deliver)		N/A
Seven Strategic sites	Cross-regional	Winchburgh: Aug 18 Dunfermline: Jun 21 Others TBC	1. Define (and 2. Implement)		
Innovation and skills	Cross-regional	N/A	2. Implement		N/A
Infrastructure, funding and land assembly	Cross-regional	N/A	1. Define		N/A
Edinburgh Living (housing company)	Cross-regional	N/A	3. Deliver		

*Revised business case under development (see Section 5 for more information).

Key:

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.

Stages

As of 1 August 2021:

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

Time and Budget

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

- 14 projects are considered to be on target to be completed on time (green score) or have been completed on time (6 in August 2020)
- 10 projects are delayed, but considered to be within an acceptable range, with management action in place to address the issue (amber score). (18 in August 2019)
- 19 projects are considered to be on target to be completed within the specified budget (green score) or have been completed within the specified budget (15 in August 2019)
- 2 projects are projected to cost more than the specified budget, but considered to be within an acceptable range, with management action in place to address the issue (amber score). (6 in August 2019)

OUR APPROACH TO BENEFITS REALISATION

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

In reviewing this "long list" of approaches, the Programme Management Office and Theme leads also identified significant opportunities to enhance the efficiency and quality of future impact measurement by, for example:

- Co-ordinating partners' existing data sets and approaches to monitoring and evaluation (M&E) both within the City Region Deal and in co-ordination with other City Region Deals; and
- Accessing information from both Scottish and UK Governments that is not available on an "open basis"; engaging with existing or emerging (Government) initiatives that might support better M&E outcomes; and, benchmarking "best practice" approaches.

To test whether such opportunities might be realised, in March 2021 the Programme Management Office successfully applied for regional recovery and renewal funding from the Scottish Government to undertake a: "feasibility study for a public/private sector data platform to assess the outcomes and impacts of the City Region Deal".

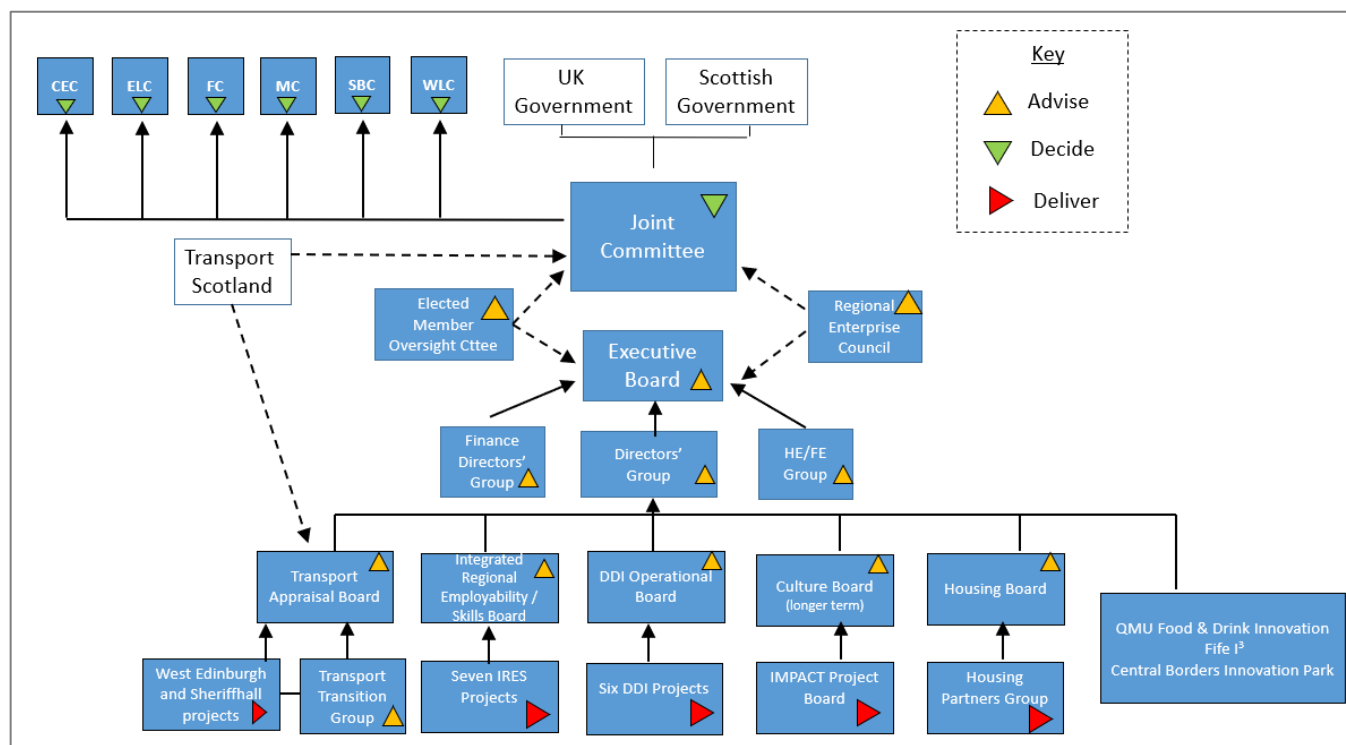
The focus of this study has been to assess the potential, and recommend approaches, to accelerate the co-ordination of data, and the M&E of this data, in a consistent and more efficient way to support the management of benefits realisation for the City Region and potentially other Deal areas.

Based on extensive consultation, and qualitative option appraisals, the study recommends three (complementary) approaches to enhance M&E:

- Support for the newly formed CRD Data Intelligence Group to examine co-ordination of M&E across linked impacts (such as Community Benefits, Environment and Fair Work) as well as the wider co-ordination of M&E and potentially “self-assessment” protocols with other CRDs;
- A cross-CRD approach reflecting the broader opportunity to collaborating and integrating Benefits Realisation Planning and M&E efforts across all the City Region Deals in Scotland (and potentially other home countries); and,
- From positive discussions to date with the Scottish Government, there may be longer term opportunities to both access data for the purposes of testing net impacts and co-developing M&E practices/reporting.

GOVERNANCE

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



4. FINANCIAL STATEMENT

This City Region Deal identifies new and more collaborative ways that partners will work with UK Government and Scottish Governments to deliver change to the city regional economy. The Governments will jointly invest £600 million over the next 15 years and regional partners committed to adding in excess of £700 million, overall representing a deal worth £1.3 billion. A summary of the City Region Deal total over a fifteen-year period is shown in the Table 2:

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

Project	SG contribution (£m)	UKG contribution (£m)	Partner contribution (£m)	Total amount (£m)
Food and Drink Innovation Campus	1.42	28.58	22.00	52.00
Bayes Centre	2.24	30.31	68.50	101.05
National Robotarium	1.43	21.04	-	22.47
Edinburgh Futures Institute	2.24	55.68	131.38	189.30
Usher Institute	0.73	48.46	35.40	84.59
World Class Data Infrastructure	0.67	78.93	111.03	190.63
Easter Bush	1.27	16.10	25.23	42.60
Easter Bush Link Road	-	10.90	19.10	30.00
Business Innovation – Fife	35.00	-	14.43	49.43
Business Innovation – Scottish Borders	15.00	-	14.05	29.05
Total Research, development and innovation	60.00	290.00	441.12	791.12
IMPACT/Dunard Concert Hall	10.00	10.00	24.99	44.99
Total Culture	10.00	10.00	24.99	44.99
Integrated Regional Employability & Skills Programme	25.00	-	-	25.00
Total Integrated Regional Employability & Skills	25.00	-	-	25.00
Sheriffhall Roundabout Upgrade*	120.00	-	-	120.00
West Edinburgh Public Transport Infrastructure	20.00	-	16.00	36.00
Total Transport	140.00	-	16.00	156.00
New Housing Partnership (Edinburgh Living LLP) **	15.00	-	248.00	263.00
Housing Infrastructure**	50.00	-	-	50.00
Total Housing	65.00	-	248.00	313.00
Grand Total	300.00	300.00	730.11	1,330.11

*Includes £120m for Sheriffhall roundabout to be delivered by Transport Scotland

** Funding issued by Scottish Government (Housing)

The City Region Deal Financial Summary for the period of April 2020 to March 2021 is set out in Table 3. Total expenditure and grant claimed for the year, amounts to £59.07 million. With £56.72 million on Capital projects and £2.35 million on the Revenue programme.

Table 3 Edinburgh and South-East Scotland City Region Deal 2020-21

Project	2020-21		Cumulative (2018/19 - 2020/21)	
	CRD Spend (£'000)	CRD Grant claimed (£'000)	CRD Grant claimed (£'000)	CRD Grant % claimed
Food and Drink Innovation Campus	0	0	0	0
Bayes Centre	0	0	32,545	100.0%
National Robotarium	1,054	1,054	2,054	9.1%
Edinburgh Futures Institute	15,679	15,679	49,899	86.2%
Usher Institute	4,244	4,244	5,748	11.7%
Edinburgh International Data Facility <i>formerly (WCDI)</i>	15,563	15,563	32,987	41.4%
Easter Bush	16,424	16,424	16,424	94.6%
Easter Bush Link Road	0	0	0	0.0%
Business Innovation – Fife Industrial Innovation Investment	3,620	3,620	5,053	14.4%
Business Innovation – Scottish Borders Innovation Park	119	119	200	1.3%
Total Research, development and innovation	56,704	56,704	144,910	41.4%
IMPACT - Dunard Concert Hall	0	0	0	0.0%
Total Culture	0	0	0	0.0%
Integrated Regional Employability & Skills Programme	2,354	2,354	3,411	13.6%
Total Integrated Regional Employability & Skills	2,354	2,354	3,411	13.6%
Sheriffhall Roundabout Upgrade*	762	762	4,453	3.7%
West Edinburgh Public Transport Infrastructure	14	14	14	0.1%
Total Transport	776	776	4,467	3.2%
New Housing Partnership (Edinburgh Living LLP) **	5,000	5,000	15,000	100.0%
Housing Infrastructure**	0	0	0	0.0%
Total Housing	5,000	5,000	15,000	23.1%
Grand Total	64,833	64,833	167,788	28.0%

*Scottish Government funded. Transport Scotland taking forward scheme delivery.

** Funding issued by Scottish Government (Housing)

The City Region Deal cumulative grant claimed total for the period of April 2018 to March 2021, amounts to £167.8 million. This includes funding issued by Transport Scotland and Scottish Government Housing Department.

4. THE DEAL – SUMMARY OF PROGRESS

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

Quarterly performance reports are shared between the PMO and Governments throughout the year and are published at each Joint Committee meeting.

RESEARCH, DEVELOPMENT AND INNOVATION

Data-Driven Innovation

In last year's report, the [Data-Driven Innovation](#) (DDI) programme reported that it had drawn down almost £90m in Government funding via the City Region Deal, as investment for the creation of the Data-Driven Innovation hubs – the Bayes Centre, Edinburgh Futures Institute, Usher Institute, Easter Bush, and National Robotarium – co-delivered with Heriot-Watt University. This year, total drawdown in the local authority financial year to 31 March 2021 was £51.9m.

Despite the considerable challenges of COVID-19, delivery against targets continues at pace. There have been over 40,000 enrolments on DDI talent qualifications and courses and more than 100 entrepreneurial companies have been supported or created. In DDI-related research income, over £300m has been recognised and nearly £100m has been committed in DDI industry partnerships.

In March, £74m of City Region Deal funding was approved for a new AgriTech hub at the Easter Bush campus. This was the last of five DDI business cases to be approved by the City Region Deal's joint committee, and so represented a major milestone. The Easter Bush investment will support the combining of research and technology to improve the efficiency and output of agriculture and enhance worldwide food security.

Also in March, the Usher Institute led the first national study to confirm that vaccination was linked to a substantial reduction in the risk of COVID-19 admissions to Scotland's hospitals. The research showed that by the fourth week after receiving the initial dose, the Pfizer and Oxford-AstraZeneca vaccines reduced the risk of hospitalisation by up to 85 per cent and 94 per cent, respectively.

Ground-breaking research like this is supported by vital data infrastructure, which the DDI programme is also helping to create in the city region. In autumn 2020, the [DataLoch](#) repository was created to bring together health and social care data for the first time, driving forward data-driven approaches to improving care. This was followed in February 2021 with the purchase of the world's fastest AI computer, the Cerebras CS-1, for the [Edinburgh International Data Facility](#). Cerebras CS-1 will be used for unprecedented AI scalability and massive data handling capability, ultimately providing a fantastic facility for DDI activity and research.

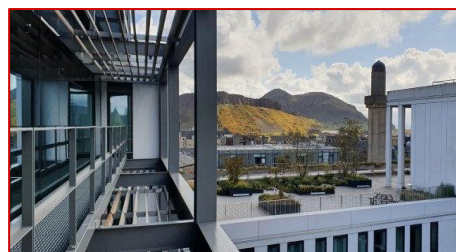
SUPPORTING REGIONAL COVID-19 RECOVERY

Apart from supporting the creation and development of the DDI hubs, one of the year's main highlights was coordination by the DDI programme of £4m of COVID-19 recovery funding from the Scottish Funding Council. The funding was split into three strands; 'Building Back Better', 'Supporting recovery and growth through entrepreneurship' and 'Adapting to new ways of operating' delivered in coordination between the DDI hubs, and other teams across the University of Edinburgh.

As part of this, DDI issued an 'open call' for research proposals and awarded funding to 21 projects to apply data-driven innovation for economic and social recovery in the city region. These included projects to tackle homelessness, promote tourism recovery, and job retention in the football industry. A tool to help farmers make better decisions about what to feed their livestock has generated a wealth of open-access data.

BAYES CENTRE

The [Bayes Centre](#) is the University of Edinburgh's innovation hub for data science and artificial intelligence. It offers a new kind of collaborative, multidisciplinary proving ground where we develop innovative technological solutions for the benefit of society. It is a community of internationally recognised scientists, outstanding PhD students, leading industry experts and innovation support professionals, working together across disciplines and sectors to advance data technology and apply it to real-world applications.



The Centre builds on the University's academic excellence in the mathematical, computational, engineering, and natural sciences, and translates these combined strengths to impact with a focus on the application of digital technology, robotics and autonomous systems, and space and satellites to the challenges of our partners. Data science education, tech entrepreneurship, and industrially driven, multidisciplinary R&D are the core pillars of its strategy to boost the University's impact across the city, region, nationally, and internationally through new activity that complements the existing strengths of our community.

In the context of the communities we serve, the Bayes Centre strategy involves focussed effort to collaborate with and across the DDI and College networks, providing Bayes services and expertise in key areas to support targets and priorities across all sectors and research strategy.

Having opened in October 2018, the Bayes Centre has a growing track record of activities and outputs - including the creation of almost 400 new high-value jobs, generating £38m of R&D investment, and helping start-ups raise over £90m, and engaging over 7000 people in up-skilling activities. Work has progressed at pace despite the COVID-19 disruption in 2020/21, with the team looking forward to welcoming a range of new members and partners during 2021/22 to supplement the 30 external organisations and programme participants who are co-located in the award-winning £40m Bayes Centre building.

The Bayes vision for 2021-22 is to reinvigorate industry engagement, expand the support we provide to research communities, and enhance the sustainability of our educational and entrepreneurial programmes. Our strategy is closely linked to the University's objectives around becoming the Data Capital of Europe, expanding our global leadership in AI and the use of data with integrity, enabling global and lifelong participation through digital learning programmes, and amplifying our impact through external partnership and co-creation of innovative solutions to societal challenges.

Headline achievements in the past year

- Expanded the [Data Skills Workforce Development](#) (WFD) Portfolio from five courses in 19/20 to 15 courses, and increased student numbers (442 student course enrolments) in data science online learning programmes; Data Science, Technology, and Innovation (DSTI) in 20/21.
- Provided leadership in expanding data science education and training provision as part of the University's Curriculum Transformation Programme.
- Supported a broad range of major interdisciplinary research funding bids with major data science components.
- Led development of the University AI Strategy, creating opportunities to expand growth of DDI activities and articulation of future contributions to Scottish and UK national AI strategies.
- By the end of March 2021, undertook over 2,000 significant interactions with public, private and third sector organisations.
- Cohort four of the [Bayes AI Scale-up Accelerator](#), received over 90 applications of which 15 were successful; 36 companies were selected to form the EIE21 cohort, with the event proceeding virtually on 10 June 2021.

Next Milestones

The Bayes vision for 2021-22 is to reinvigorate industry engagement, expand the support provided to research communities, and enhance the sustainability of our educational and entrepreneurial programmes. Our strategy is closely linked to the University's objectives around becoming the Data Capital of Europe, expanding our global leadership in AI and the use of data with integrity, enabling global and lifelong participation through digital learning programmes, and amplifying our impact through external partnership and co-creation of innovative solutions to societal challenges.

Due date	Milestone
Oct 2021	Establish collaboration structure with National Robotarium , identifying opportunities for growth in Robotics and Autonomous systems across UoE and HWU, and supporting coordination of DDI delivery activity in this area.
Oct 2021	Broaden academic engagement through an Academic Affiliate model and build on recently established series of Bayes Forum townhall and Turing@Edinburgh events to strengthen connectivity and awareness of Bayes activity across University-wide academic communities.
Dec 2021	Support the development of new Space & Satellites Earth Observation PGT Programme , coordinating the delivery of a first Earth Observation PGT course en-route to establishing a new MSc within the School of Geosciences.
Jan 2022	Pursue funding to support entrepreneurship and industry engagement objectives through renewal of the Bayes Innovation Programme, with particular focus on extending the profile and reach of the EIE programme.
Jan 2022	Develop a long-term Bayes Data Strategy within the context of wider EIDF developments.
Jan 2022	Enhance general data science provision at all levels of the University of Edinburgh curriculum, whilst developing a curricular structure that enables student access to entrepreneurship and scale-up activities.
Apr 2022	Develop collaborative propositions in Digital Twinning for urban living and infrastructure.
Jul 2022	Create five major funding propositions in Space & Satellites with a focus on climate AI/sustainability/net-zero research, strengthening collaborative links across UoE and with STFC, and Satellite Applications Catapult.
Jul 2022	Drive strategic growth in AI and Health by bringing together academic networks and developing five major funding propositions with significant Bayes leadership, working closely across the other DDI hubs and with colleagues in key university schools.
Jul 2022	Continue to develop the portfolio and sustainability of Workforce Development courses, aiming to build on current portfolio with a target of 500 enrolments. Secure an institution-wide business model to evidence sustainability beyond the existing SFC funded period.
Jul 2022	Build a pipeline of fifteen commercialisation opportunities in Space & Satellites and deliver five industry engagement events.

CASE STUDY – EIE 2021

The [EIE21](#) technology investor showcase event took place on 10 June 2021, and was once again held over a bespoke 6Connex virtual platform. The investor day showcased 35 data-driven cutting-edge tech start-ups as they pitched for funding from seed to series A.



After a Welcome from Kate Forbes MSP, Scottish Government Cabinet Secretary for Finance and the Economy, the day got underway with 25 companies completing 3-minute pitches during the morning session. In the afternoon session 10 companies had the opportunity for extended pitches which lasted for five minutes, followed by five minutes Q&A from Investor Panels.

The 10 companies delivering an extended pitch were: [Beta Bugs](#), [Bridgeweave](#), [Earth Blox](#), [GoBubble](#), [Ionburst](#), [iOpt](#), [Libereat](#), [Nebu-Flow](#), [Net AI](#) and [Transwap](#), all of whom were eligible for being voted as Pitch of the Day by the EIE21 audience.

From this fantastic line up, Ionburst stood out from the crowd and received the most votes to emerge as the Pitch of the Day winner. The company's platform addresses data leaks in the cloud for SMEs and larger corporates at a time when hackers and ransomware are becoming more prevalent worldwide.

"We're delighted to win EIE21, it's such a prestigious event and the standard of competition was incredibly high, and now that EIE has showcased us we look forward to speaking to investors that want to help us build a global business." Anne Lanc, Chief Financial Officer, Ionburst

The audience also got to hear from a world class speaker line-up that included Sir Ronald Cohen, Chairman of the Global Steering Group for Impact Investment, Professor Peter Mathieson, Principal and Vice Chancellor of the University of Edinburgh, Mike Welch OBE, Founder of Tirescanner, and Lesley Eccles, Founder of Hello Relish, and co-Founder at FanDuel.

EASTER BUSH

The East Bush Agritech Hub seeks to leverage the existing world-class research institutes and commercialisation facilities in order that Easter Bush is a global location of agriscience and agribusiness excellence. The Easter Bush AgriTech Hub aims to develop world-leading research capability in data science. It will address skills shortages and gaps in the industry, as well as encourage graduates to set up or join micro-agritech companies. The Hub will bring together researchers from the University of Edinburgh and other higher education institutions, along with commercial, public and third sector organisations, in collaboration with project partners Midlothian Council.



The AgriTech Data Hub is nucleated at the [Royal \(Dick\) School of Veterinary Studies](#) Easter Bush Campus – Europe’s largest concentration of animal science research expertise – where [the Roslin Institute](#) is located, with reach across the whole University of Edinburgh. The Hub will foster collaboration between researchers and companies to contribute to global food systems, work towards net zero carbon in the agriculture sector, combat animal disease, and to inform food and environmental policies.

Experts in the Hub will use data to develop genetics and health innovations for agricultural science and business, and to build initiatives, prediction and preparedness into novel systems of production. It will work in innovative areas, such as data-driven breeding and aquaculture, to enable data generation and analysis that will improve the agriculture industry worldwide. The investment will transform the scale and impact of agricultural technology in outputs from teaching, research, and innovation.

Road improvements to create the A701 relief road and A702 link will provide enhanced access to the Easter Bush campus, suitable for a campus of this scale, from Edinburgh city centre, other University campuses and the surrounding regions, thus ensuring that the campus can continue to grow, and further development can be planned and implemented.

Headline achievements in the past year

- Easter Bush ‘Green Book’ business case approved by City Region Deal Joint Committee in [March 2021](#), and delivery oversight group established in conjunction with Midlothian Council.
- [Easter Bush Science Outreach Centre](#) provided downloadable primary and secondary science resources which engaged with over 42,000 learners.
- Adapted Easter Bush facilities for COVID-19 research and ensured that research activities took a lead role in COVID-19 research activity for the University whilst contributing to the national response.
- Undertook a broad range of activities with external organisations, for example, delivered Food and Farming Futures workshop to explore Agritech opportunities and challenges in a post-Brexit world.
- Launched €2m initiative to develop an online hub to provide accurate, evidence-based information on the use of cells and genetic material to treat disease.
- Since the launch of the [Food & Agriculture Science Transformer \(FAST\)](#), six Founding Analysts/Co-Founders have been recruited with five start-ups being established. Of these ‘newcos’, three are potential [Roslin Innovation Centre](#) tenants.
- Supporting Evidence Based Livestock (SEBI), launched a new five-year programme, ‘[SEBI-Livestock](#)’ which will continue work to monitor the impact of livestock investments, supported by a circa \$8m grant from the Bill and Melinda Gates Foundation.

- Established an Easter Bush Working Committee to enhance the strong working relationships between the University of Edinburgh, Midlothian Council and local communities. It will review, assess and scrutinise the implementation of the Agri-tech and transport workstreams against the stated timescales and funding drawdowns projected in the Business Case, and will take forward specific activities related to the successful implementation of the Business Case.

QUOTE

Dr Gregor Gorjanc – received DDI Beacon funding for his DairyMine project (capitalising on the increasing volume of agricultural data to help Scottish dairy farmers make more efficient breeding choices)

“Agriculture was impacted by the pandemic in many ways. In the dairy farming industry farmers actually had to throw away milk because there was no demand. DairyMine will not solve that problem entirely, but it will help the dairy sector to recover strongly from the pandemic.

With DairyMine we are using all this high volume and high frequency data that we now have thanks to technological advances, and we are looking at what innovation this data will drive.

The more data we have, the easier it is to find patterns in the data. We can now monitor a cow’s milk yield over days rather than months and we can combine that with genomic data so that a farmer can use that information to make an informed breeding decision.

The Roslin Institute has been involved in this line of research for decades. The Roslin Institute is in certain areas a world leader for development of breeding schemes and in collecting agricultural data in an optimal and innovative way.”

Next Milestones

Due Date	Milestone
Apr 2022	Establish a Centre for Aquaculture Genetics and Health (CAGH), developing a business plan to enable a step change in the aquaculture genetics activity for the Agritech Hub.
Apr 2022	Deliver the A3 (Animal Health, Agritech, Aquaculture) conference , now rescheduled to 2022. A3 Scotland 2022.
Jul 2022	Further develop and scale up activities in line with approved Agritech Talent Plan, with specific deliverables in Global Food Security and Nutrition & MSc course in Planetary Health.
Jul 2022	Develop a long-term data strategy and platform appropriate for the future growth in research and adoption activity.
Jul 2022	Strengthen relationship with the new companies that have formed from F.A.S.T. and support the next stage in their development.

CASE STUDY – CROWD-SOURCED DATA SHOWS WHAT LIVESTOCK EAT

A tool to help farmers make better decisions about what to feed their livestock has generated a wealth of open-access data.

You are what you eat, as the old adage goes, also applies to livestock. An animal's feed closely determines its health, and its ability to produce high-quality milk, meat or eggs.

By the same logic, better animal products provide better nutrition to people, and more income to livestock-keepers. Farmers, extension workers, researchers and policymakers working on livestock need a good understanding of animal feeds.

Now a tool makes it possible to visually explore standardised data on what livestock eat.

The data behind the visualisation was generated using the [Feed Assessment Tool](#) (FEAST) and is the product of thousands of data uploads from more than 150 sites in 14 countries. Researchers at the Global Academy of Agriculture and Food Security and the International Livestock Research Institute (ILRI) helped initiate the development of the FEAST Tool, which helps users assess overall availability of feeds, the quality, and the seasonality in a particular site.

The FEAST tool and the global data repository are available to anyone working on livestock feeds, and to anyone more generally interested in understanding the livestock sector in low-and middle-income countries.

“Sound feed-related data are a requisite for formulation of good policies for sustainable livestock development.” Harinder Makkar, International Development Expert in Sustainable Livestock Production



EDINBURGH FUTURES INSTITUTE

The purpose of the Edinburgh Futures Institute (EFI) is to pursue knowledge and understanding that supports the navigation of complex futures. EFI's distinctiveness stems from our approach to research, education and engagement – an approach that combines multi-disciplinarity with co-production. Working with industry, government and communities at home and abroad, we are building a challenge-led and data-rich portfolio of activity that has demonstrable ethical, social, cultural, economic and environmental impacts.

The biggest challenges facing societies globally are complex and interconnected. Our approach recognises that insight and innovation can come from bringing the arts, humanities and the social sciences into contiguity with data science, engineering, the natural sciences and with medicine. And our ethos and commitment to co-production stems from the University's historic principles of the 'democratic intellect', updated now in Strategy 2030. These principles focus on the civic responsibilities of the University in working with and for its wider communities, and the importance of opening up education to all who can benefit.

EFI's data driven innovation programme focuses on four key sectors: financial services (including fintech); creative industries; tourism and festivals; and public services (including data civics). It is underpinned by two cross cutting themes: the ethical implications of data analytics and artificial intelligence; and the future infrastructure needed to drive social, economic, environmental and cultural inclusion.

Headline achievements in the past year

- Following cross-University scrutiny involving industry input, EFI gained approval for six innovative, interdisciplinary postgraduate degrees to be delivered from September 2022. 12 postgraduate courses and three further undergraduate courses will be piloted from September 2021. EFI's 'fusion' teaching model uses technologies and research-led teaching methods to support interaction and collaboration between students located in different settings.
- EFI developed and published its research strategy; supported colleagues across the University to secure major interdisciplinary research funding awards totalling £25m and provided input to the development of a further £96m funding proposals. Working with the Centre for Data, Culture and Society EFI continued to build capacity in interdisciplinary data-driven research through grants to support networks and projects.
- Launched the Centre for Technomoral Futures, supported initially with a generous gift from global investment firm Baillie Gifford, with a mission to unify technical and moral modes of future-building expertise in new models of research, education, design and engagement that directly serve the goals of sustainable, just and ethical innovation.
- Launched the EFI TravelTech Cluster, supported by Scottish Enterprise funding, to enable the tourism sector and digital companies to explore new opportunities for growth by building connections across the TravelTech sector.
- On behalf of the University of Edinburgh, launched the Edinburgh Futures Conversations event series to promote global understanding and cooperation, and to contribute action-oriented thinking to the public debate about the world's response to COVID-19. The first event, *The Future of Health*, saw experts from around the world share their perspectives of the pandemic and explore how to change and reshape public health systems to transform outcomes. In addition the EFI events programme delivered a range of events attracting over 3,000 members of the public.



- Developed the Data and Design Lab concept, in partnership with the Bayes Institute, and delivered four demonstrator projects using design thinking to support businesses and communities in the City Region to respond to and recover from the COVID-19 pandemic.
- Through the Creative Informatics programme, launched, supported nine new Resident Entrepreneurs, and partnered with Marchmont House in the Scottish Borders to host the next round of the Scheme.
- Developed and delivered new Continuing Professional Development training in each key industry sector, focused on supporting businesses to understand how effective use of data can contribute to their recovery and sustainable development post-Covid.

QUOTE

Dr William Lamb, Dr Beatrice Alex, Dr Mark Sinclair – received DDI Beacon funding for their Gaelic speech recognition project which was delivered through the Edinburgh Futures Institute (EFI)

“The whole point of the EFI is to encourage interdisciplinary collaboration. And our project is very much an example of this.

There's no one fluent in Gaelic who is also an NLP [Natural Language Processing] expert. And there is no NLP expert available who is also sufficiently fluent in Gaelic. The key to this project was bringing together a team with a diverse range of skillsets

Museums and archives were closed over the pandemic and the only public exhibitions were digitalised exhibitions. Most Gaelic archives couldn't previously be digitalised, the software to do that didn't exist. But we have now developed that software and so Gaelic archives and expeditions can get digital footfall.

It's a way of helping their recovery from the pandemic now and also protecting against the effects of future pandemics too.

So when we saw the DDI Beacon open-call, we thought our aims would fit well with different aspects of that ethos.”

Next Milestones

Due Date	Milestone
Jul 2022	Pilot new postgraduate taught and undergraduate courses, using outputs to inform future development and delivery.
Jul 2022	Appoint Chancellor's Fellows posts and Post-Doctoral Research Assistants to develop strategic interdisciplinary research areas.
Jul 2022	Building on EFI Partnership Strategy, develop co-location proposition and secure partnership agreements in advance of EFI building opening in 2023.
Jul 2022	Continue production of data sets through the course of relevant EFI research and adoption projects.
Jul 2022	Continue to encourage entrepreneurship across the EFI student community, and particularly within the Finance, Technology and Policy Post Graduate Programme, working with Edinburgh Innovations to support start-up activity focused in key industry sectors.

Strategic Added Value

- During 2020/21 the UNICEF Data Collaborative for Children moved from its initial home in DataLab to EFI. We anticipate significant added value for both projects as we learn together from each other's work, and as EFI develops world-leading capacity – enhanced by recent

significant philanthropic gifts – in the responsible and effective use of data to improve children’s lives. any links with other CRD projects.

- EFI has worked closely with colleagues in the Bayes Institute on the Data Lab, developing demonstrator projects across the City Region and beyond to address the needs of its key industry sectors in the wake of the pandemic.
- New postgraduate provision in Sustainable Futures is in development. EFI’s integrated approach to co-design and co-creation across its teaching and research means working with local stakeholders to define the challenge and explore, and interrogate, potential solutions.

CASE STUDY 1: EFI DESIGN LAB – FUTURE OF THE HIGH STREET

As part of the Scottish Funding Council-funded response to COVID-19, EFI delivered a six-month project combining citizen engagement and co-design with urban data and research. Led by Jenny Elliot, chartered landscape architect, urban designer and smart places lead at EFI, the project’s aim was to better understand challenges and opportunities for the high street both prior to and in light of the pandemic.

The project began by gathering insights from high street stakeholders - residents, businesses, organisations - through a co-design process involving surveys, digital co-design workshops and youth activities. six ideas to tackle common high street challenges were developed in collaboration with local businesses and other stakeholders in Dalry, Edinburgh and Dalkeith, Midlothian. Two of these ‘high street tweaks’ were selected to be prototyped, piloted and evaluated during June. the ‘tweaks’ aimed to produce some immediate benefit for high street businesses and the high street more holistically as a place, whilst exploring potential for longer-term adaptation, resilience or improvement.

A variety of data collection methods were used to evaluate the prototypes against a framework agreed by the stakeholders in advance. Early results were positive: perceptions of local ‘place quality’ increased by almost a third at both locations.

Work will now continue with the local authority and a local development trust to take forward these changes on a permanent basis with a view to enhancing the local environment and helping businesses and communities to recover.

CASE STUDY 2: LAUNCH OF CENTRE FOR TECHNOMORAL FUTURES

The Centre will host leaders, creators and innovators from academia, technology, business and the third sector to discuss the possible futures we can build in Scotland and the world as we emerge from the most challenging years of the century.

The Centre was launched on Thursday 29 April 2021 with an evening of conversation about how technical and moral intelligence can be brought together to lead us out of crisis and into hope.

The event introduced the Centre’s first-year, interdisciplinary PhD students and shared the Centre’s mission to bridge the divide between technical expertise and moral wisdom.

At the event, a distinguished panel of industry practitioners and academics discussed whether the idea of ‘technomoral futures’ is an oxymoron? That is, do technology and morality necessarily take us on different paths? Or do they represent two keys to wise and sustainable futures that must be turned together?



**Centre for
Technomoral
Futures**

EDINBURGH INTERNATIONAL DATA FACILITY

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



The [Edinburgh International Data Facility](#) (EIDF) consequently consists of four complementary components:

- EIDF computer room: a new high resiliency computer room at [the Edinburgh Parallel Computer Centre's](#) Advanced Computing Facility to complement the other three computer rooms that are focussed on supercomputing system provision for research users;
- Data and software infrastructure: the underlying private cloud computing and data infrastructure to support the DDI programme. As part of this component, both Open Source and paid-for advanced data analytics and other software infrastructure will be delivered;
- Internet of Things (IoT) infrastructure: a regional IoT network for the city region will be created. This part of EIDF is the responsibility of the University's Information Services Group; and
- Regional Data Haven: a regional data haven for local public data, sourced initially from City Region Deal partners, will be created to support a smart public data generation infrastructure.

Headline achievements in the past year

In summary, despite the ongoing impact of COVID-19, Phase 1 of EIDF is a reality, and the focus in 2021/22 will shift from infrastructure build to service delivery. Below is a list of the key aspects delivered during 2020/21.

- Launch of a beta service of the Scottish Medical Imaging Archive within the National Safe Haven (November 2020).
- Completion and handover of the new EIDF Computer Room ("CR4") (December 2020).
- Procurement and installation of the main Phase 1 IT Equipment (March 2021).
- Procurement and installation of Europe's first Cerebras CS-1 dedicated AI system (March 2021).
- Completion of software engineering for the EIDF Data Science Cloud service (June 2021).
- Completion of a number of activities under the IoT Programme including UoE building occupancy monitoring; and, engagement with East Lothian Council's Beach Tourist Car Parks.

Next Milestones

Due Date	Milestone
Oct 2021	<p>Data Science Cloud Service:</p> <p>The Data Science Cloud (DSC) will be the principal point for contact for EIDF users. The service will provide "virtual desktops," browser-based access to virtual machines (VMs) running on the EIDF cloud. These VMs will be provided pre-configured with data science tools, selectable by users at application time. Users will be able to install their own additional software as needed. DSC users will have private workspaces and visibility of the shared</p>

	analytics-ready data layer that will grow over time to form a rich data lake at the heart of EIDF.
Jan 2022	<p>High-performance Data Analytics Services:</p> <p>From their VM desktops DSC users will have access to high-performance versions of both R Studio and Jupyter Hub, for scaling out R and Python workloads. These services will offer flexible cluster-based scaling and more traditional high-performance computing on both the new HPE Superdome Flex systems and on EPCC's existing national high-performance computing services. Access to the Cerebras CS-1 will also be part of this suite of services.</p>
Apr 2022	<p>Private Safe Haven Services:</p> <p>Projects that require secure environments for work on sensitive data can benefit from EIDF's Project Private Zone (PPZ) service. A PPZ is an isolated project zone within the EIDF Safe Haven Services hosting environment dedicated to a single project. PPZs provide security controls which disallow data extraction by users, restrict network traffic and provide managed gateways for an information governance team, independent of the users, to authorize the movement of data into and out of the PPZ.</p>
Jul 2022	<p>Data Management Services:</p> <p>Previews of the long-term data hosting service, currently being developed in partnership with early adopters from Data Slipstream and the National Collection of Aerial Photography, will begin by Dec 2021. We will develop these early versions towards a full digital preservation service over the course of this year and beyond. Development of the EIDF Data Catalogue, prototyped in 20/21, will continue and extend. We anticipate that the EIDF catalogue will form the heart of a network of connected catalogues from different disciplines and for different organisations, requirements for which have emerged during the latter half of 20/21. These include catalogues for Public Health Scotland and the new Research Data Scotland initiative, for DataLoch and for the Scottish Medical Imaging Archive.</p>
Jul 2022	<p>Regional Data Haven:</p> <p>The Regional Data Haven is designed to support projects using regional data, including those from the City Region Deal Local Authority (LA) partners, and conversely projects from partner LAs needing access to broader-based datasets. It will be developed in close alignment with the Research Data Scotland initiative launched in 2021 and will build on the Safe Haven Services developed for EIDF over the last five years. In concrete terms, through 21/22 we will:</p> <ul style="list-style-type: none"> • initiate capacity-building pilot projects with City of Edinburgh and Fife Councils on data integration, leveraging the new EIDF infrastructure, general access, and Safe Haven services; • work with Local and Scottish Government within the envelope of Research Data Scotland to develop a programme of implementation for data access across the region; and, • build on the former activities to create an exemplar Regional Data Haven as a demonstration for DDI Local Authority partners of the art of the possible.
Jul 2022	<p>IoT Service:</p> <p>The EIDF IoT Service provides leading IoT facilities and technical expertise to the DDI hubs, academia, industry, commerce, and the public sector across the South East Scotland region. Through our broad range of activity, we support all the DDI programme TRADE goals. During 2021/2022 we plan to:</p>

	<ul style="list-style-type: none"> • start the rollout of the IoT in Schools Service to primary and secondary schools across the south east of Scotland, with an initial pilot to 20-40 schools; • start expanding the IoT Research & Innovation regional sensor across Edinburgh and South East Scotland region; • progress IoT Research & Innovation developments, phase 2, including planning migration to new EIDF Phase 1 infrastructure; • continue Data Town developments; • continue development of UoE smart campus, e.g. building occupancy monitoring and managing space utilisation; • leverage the IoT service to support the University's joining of the UK Collaboratorium for Research in Infrastructure and Cities.
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CASE STUDY – CEREBRAS SYSTEMS AI SUPERCOMPUTER SELECTED TO RAPIDLY ACCELERATE AI ACTIVITIES



[Cerebras Systems](#), the pioneer in high performance artificial intelligence (AI) compute has been selected to supply the Cerebras CS-1 for installation at the Edinburgh International Data Facility. This leading-edge AI deployment enables the next wave of natural language processing (NLP) and data science research for public, private and academic sectors across the City Region and the UK.

The system, the first CS-1 deployment in Europe, will provide unprecedented AI scalability and massive data handling capability, greatly reducing training time - the most time-intensive part of AI - enabling many more ideas to be tested. The system will be available for academic researchers and data scientists in the public and private sectors.

In AI compute, large chips process information more quickly, producing answers in less time. The CS-1 is built around the world's largest processor, the WSE, which is 56 times larger, has 54 times more cores, 450 times more on-chip memory, 5,788 times more memory bandwidth and 20,833 times more fabric bandwidth than the leading graphics processing unit (GPU) competitor. The CS-1 has won numerous awards including Fast Company's Best World Changing Ideas, IEEE Spectrum's Emerging Technology Awards, Forbes AI 50 2020, HPC's Readers' and Editors' Choice Awards and CBInsights AI 100 2020.

"We are excited to bring our industry-leading CS-1 AI supercomputer, coupled with HPE's advanced memory server, to EPCC and the European market to help solve some of today's most urgent problems. Our vision with the CS-1 was to reduce the cost of curiosity, and we look forward to the myriad experiments and world-changing solutions that will emerge from EPCC's regional data centre." Andrew Feldman, CEO and co-founder of Cerebras

NATIONAL ROBOTARIUM

The [National Robotarium](#) is a world-leading centre for Robotics and Artificial Intelligence. Its responsible and collaborative approach creates innovative solutions to global challenges. Its pioneering research moves rapidly from laboratory to market, developing highly skilled visionaries and delivering substantial benefits for society. Its ethos is People centred; Intelligence driven.



This research and development facility translates cutting-edge research into technologies to create disruptive innovation in an expanding global market in robotics and autonomous systems, delivering sustainable economic benefit to the city region, Scotland and the UK.

As global leaders in Robotics and Autonomous systems, Heriot-Watt University and the University of Edinburgh explore collaborative interaction between humans, robots and their environments at all levels. The National Robotarium will leverage existing research and the expertise of UK industry with the significant market opportunity of Robotics and autonomous systems. Building capacity across complementary areas of embedded intelligence and expert systems, the National Robotarium will link to other UK and international research locations to attract further inward investment.

The £22.4 million purpose-built centre, opening in early 2022, will have unrivalled facilities adding to our existing laboratories in Ocean Systems, Human Robotic Interaction and Assisted Living.

With a strong focus on entrepreneurship and job creation, the National Robotarium will offer an ecosystem for industry collaboration where humans and robots work in partnership.

Headline achievements in the past year

- Commencement of construction on the Heriot-Watt University Edinburgh Campus in January 2021.
- The [ORCA Hub](#), led by Heriot-Watt University and the University of Edinburgh, has secured £2.5 million of further funding from UK Research & Innovation (UKRI), supporting its work developing robots to make offshore infrastructure inspection and repair safer.
- Award of the £3.8 million [UKRI Trustworthy Autonomous Systems](#) (TAS) Node in Trust to drive forward cross-disciplinary fundamental research to create the autonomous systems of the future led by Prof. Helen Hastie.
- Prof. Subramanian Ramamoorthy appointed to lead the £3.2 million governance and regulation of TAS Node. The team is tasked with developing a novel framework for the certification, assurance and legality of TAS, addressing whether such systems can be used safely.
- Formation of Industrial Advisory Board with first meeting in June 2021. The board comprises seven industry leaders across a variety of sectors, chaired by Prof. Sir John McCanny.
- Launch of four-year Robotics programme in collaboration with Ocean University of China which will recruit up to 120 students annually.
- Launch of our Pilot Schools Programme with initial funding in place for first 3 years. This will involve the recruitment of two interns to support coding projects at High School and associated feeder primary schools using Sphero robots.

Next Milestones

Due Date	Milestone
September 2021	Appointment of National Robotarium CEO.
February 2022	Completion of construction on Heriot-Watt University Edinburgh Campus.

March 2022	National Robotarium fully operational.
April 2022	First National Robotarium Strategic Partners onboarded.

Strategic Added Value

The development of the National Robotarium is aligned with the strategic focus of both Universities and with the Data-driven innovation theme. The core strategic focus of Heriot-Watt University is:

Strengthen research intensity in fields of economic and societal benefit; Provide truly global education while maintaining our Scottish roots; and Deliver excellent student experience and highly employable graduates.

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

- Collaborate with Bayes Centre to support activities in Robotics and Autonomous systems across UoE and HWU, driven by the academic expertise of the Edinburgh Centre for Robotics.
- Discussions underway around a partnership with Edinburgh Futures Institute to develop CPD and other talent offerings on ethics in robotics. The UKRI Trustworthy Robotics programme can be a foundation for collaboration.

During the procurement and completion of the National Robotarium main construction contract we focussed on the delivery of an ambitious Community Benefits plan with agreed KPIs on variety of areas including youth and school engagement, work placements and job creation within an inclusive growth approach.

Public Engagement is an integral part of our research practice at the National Robotarium. By actively embedding this into our work, we will enhance the skills and attitudes of all those taking part and ensure our research is socially conscious and relevant.

The vision is to create a sustainable programme of engagement focused on robotics and artificial intelligence, putting our audiences at the heart of our offering through increased public understanding and critical appreciation of robotics/AI. The National Robotarium will be fully engaged in policy making on robotics and AI, from ethics to standards and public understanding. Some highlights include:

- Launch of Pilot Schools programme involving senior School students (S4-6) working with Primaries (P5-7) in West Lothian. The ambition is for a sustainable programme with a focus on the challenges of gender balance in STEM subjects and engagement with SIMD20 areas.
- Engagement with over 40 schools in the city region area as part of our Name our Robot Dog competition.

CASE STUDY – TRUSTWORTHY AUTONOMOUS SYSTEMS

As artificial intelligence becomes more deeply integrated within various systems, enabling those systems to make their own decisions and act on their own, an inevitable question arises: can they be trusted

The UKRI Trustworthy Autonomous Systems (TAS) Node in Trust addresses this critical question and aims to drive forward cross-disciplinary fundamental research to create the autonomous systems of the future. The programme is led by Heriot-Watt's Professor Helen Hastie, joint academic lead of the National Robotarium and Director of the EPSRC Centre for Doctoral Training in Robotics and Autonomous Systems.



The challenge of managing trust between humans and autonomous systems is particularly difficult. TAS will spearhead research that examines how robotic and autonomous systems can be more transparent in their actions and thereby instil trust in their human users. It will develop world-leading best practice for the design, regulation and operation of trusted autonomous systems.

The UKRI Trustworthy Autonomous Systems (TAS) programme is funded through the UKRI Strategic Priorities Fund and delivered by the Engineering and Physical Sciences Research Council (EPSRC). The programme brings together the research communities and key stakeholders to drive forward cross-disciplinary fundamental research to ensure that autonomous systems are safe, reliable, resilient, ethical and trusted.

USHER INSTITUTE

The Health and Social Care Data-Driven Innovation (HSC DDI) vision is to create a world-leading innovation hub where public, private and third sectors can collaborate to enable data-driven advances in the delivery of health and social care.

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

The programme will deliver the infrastructure, resources, and expertise essential for the data-driven transformation of the health & social care sector in the city region and nationally. It will embed innovation at the heart of Scotland's premier academic medicine campus with a new, bespoke home at [Edinburgh BioQuarter](#).

This will draw on Scotland's mature and world-leading health data assets, well-established governance, and data-sharing processes developed in partnership with NHS Scotland and the Scottish Government. The underpinning capability of the programme is the [DataLoch](#), with its repository of routine health and social care data for city region to help find solutions to current health and social care challenges.

Headline achievements in the past year

- Secured planning permission for the new Usher Institute and appointed main contractor, McLaughlin Harvey.
- Developed the trio of online Masters for launch in September 2021 - Data Science for Health and Social Care; Epidemiology; and, Integrated Global Health.
- Funded 50 bursaries for the initial run of the Health Data Science online credited PPD course, with a broad range of participants from across the HSC sector.
- Developed the Continuing Professional Development (CPD) strategy for the Health and Social Care sector, targeting interventions across students and health & social care professionals.
- Legal & General funded Advanced Care Research Centre launched. A £20m portfolio of activities over five years, which will address the models of care delivery.
- Designed the HSC DDI Innovation Ecosystem Delivery Framework with first identified exemplar priority (Frailty).
- DataLoch COVID-19 collaborative resource in partnership with NHS Lothian with 32 projects in process or completed.
- Alpha phase of DataLoch generated £150k of research from projects, including Scottish Funding Council COVID Beacon and the European Health Data Evidence Network (EHDEN).
- Established HSC DDI Entrepreneurship Group at UoE.
- Data-Driven Entrepreneurship Accelerator first cohort included six companies from the HSC sector.



QUOTE

Ruth McQuillan and UNCOVER (Usher Network for Covid-19 Evidence Reviews) – received DDI Beacon funding to employ students as interns and set up partnerships with Public Health Scotland

“We got funding from the DDI that enabled us to pay students- that was fantastic. In the early days of the pandemic students were working sometimes all night to get the evidence reviews turned around in time for policymakers to make the decisions they needed to. So we wanted to be able to pay people as an acknowledgement of their hard work.

Funding from the DDI has enabled us to take on two pieces of work for Public Health Scotland. We would really like to build long-term links with them so that we can have secondments for staff, internships for students and so that UNCOVER can make a good contribution to their work. So to get the funding to be able to set that up, that is excellent.

We are very grateful to the DDI because they saw the potential in what we do and then wherever they can, they have supported us. Finding an organisation, like the DDI, with a good vision is actually quite difficult – so their help and support has been pivotal.”

Next Milestones

Due Date	Milestone
Aug 2021	Beta launch of DataLoch, with its core health data repository.
Sep 2021	Launch of three new online Masters programmes in September 2021 – Data Science for Health & Social Care, Epidemiology, and Integrated Global Health.
Sep 2021	DDE AI Accelerator cohort 2 launch.
Sep 2021	Break ground on new Usher Institute building at Edinburgh BioQuarter.
Nov 2021	Second cohort of the Health Data Science online course and begin delivery of the wider HSC DDI CPD strategy.
Jan 2022	HSC DDI Innovation Ecosystem – Strategy Outline with initial exemplar focus on frailty.
Apr 2022	Extend regional data partnership and coverage to Fife and Scottish Borders and ingest and integrate social care data from Lothian HSCPs.
Jul 2022	HSC DDI Innovation Ecosystem – Strategy Launch and engagement events for University and external stakeholders.
Jul 2022	Design and begin delivery of a programme of DDI engagement events for University and external stakeholders, particularly NHS South East Region.
Jul 2022	Full DataLoch launch.

CASE STUDY – DELTA VARIANT IMPACT ON HOSPITALISATION REVEALED

The Delta variant of COVID-19 is associated with approximately double the risk of hospitalisation compared with the Alpha variant, according to a nationwide study led by Professor Aziz Sheikh of the University of Edinburgh.



Two vaccine doses still provide strong protection against the Delta variant – which was first identified in India – but it may be at a lower level compared with the Alpha variant, the early evidence suggests. Based on data analysed from 5.4 million people in Scotland, the Delta variant is now the dominant form of COVID-19 cases in the country, overtaking the Alpha variant, which was first identified in Kent.

Vaccines were found to reduce the risk of being admitted to hospital, but strong protective effects against the Delta variant were not seen until at least 28 days after the first vaccine dose. In community cases at least two weeks after the second dose, the Pfizer-BioNTech vaccine was found to provide 79 per cent protection against infection from the Delta variant, compared with 92 per cent against the Alpha variant.

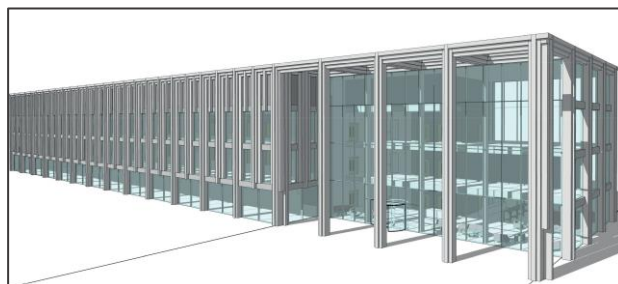
For the same scenario, the Oxford-AstraZeneca vaccine offered 60 per cent protection against infection with the Delta variant compared with 73 per cent for the Alpha variant. This lower vaccine effect may reflect that it takes longer to develop immunity with Oxford-AstraZeneca, experts say.

The study was funded by the Medical Research Council, the National Institute for Health Research, UK Research and Innovation Industrial Strategy Challenge Fund and Health Data Research UK (HDR UK) and was supported by the Scottish Government. Additional support was provided through the Scottish Government Director-General Health and Social Care, and the UKRI COVID-19 National Core Studies Data and Connectivity programme led by HDR UK.

“These results provide early encouragement that two doses of either Pfizer-BioNTech or Oxford-AstraZeneca vaccines significantly reduce the risk of infection against both the Alpha or new Delta variants. They also show the vaccines offer protection against the risk of hospitalisation with the new Delta variant. Though no vaccine can be 100% protective, they provide the best protection against COVID-19 and it remains important to get both doses when offered.” Dr Jim McMenamin, COVID-19 National Incident Director for Public Health Scotland

EDINBURGH FOOD AND DRINK INNOVATION PARK

The Food and Drink Innovation Campus, known as [Edinburgh Innovation Park](#) (“EIP”) will be located at Craighall, by Musselburgh, East Lothian, on land next to the Queen Margaret University campus.



The EIP will deliver, as Phase 1, a flexible 7,200 sqm Gross Internal Area Innovation Hub for the food and drink sector in Scotland that will be directly adjacent to and supported by Queen Margaret University – a university that is leading on international research in Dietetics, Nutrition and Biological Sciences. The Innovation Hub will be the catalyst for subsequent phases of the wider EIP.

This state-of-the-art Innovation Hub will drive company growth, supporting and developing existing businesses and creating sustainable new businesses to access a global market for healthy and functional food. The development will allow Queen Margaret University, along with businesses, to form and grow a business sector that will harness the potential of translational medicine in food and drink. This will in turn support the diversification of the food and drink industry towards preventative, therapeutic and rehabilitative applications of expertise in genomics of food and drink sector.

The EIP is also part of a significant development of land adjacent to the Queen Margaret University campus which encompasses a new grade separated junction, 1,500 homes, a new primary school and community facilities. There will also be the creation of a commercial zone within the existing Queen Margaret University campus that will enhance the Queen Margaret University’s integration with the newly developed local and business community.

Headline Achievements

Date	Achievement
Feb 2021	Stage 1 Tender for Grade Separated Junction issued.
Jun 2021	Stage 2 Tender for Grade Separated Junction published.
Jun 2021	Approval of the Full Business Case.

QUOTE

James Withers, Chief Executive of Scotland Food and Drink

“Despite the challenges the industry has faced over the last year, Scotland’s food and drink sector has huge opportunities ahead of it, both in markets locally and globally. Pivotal to grasping these opportunities is innovation and increasing the collaborative working between Scotland’s universities, research base and our food and drink producers. The investment in the food and drink innovation hub is exactly the kind of catalyst to make that happen.”

Next Milestones

Date	Achievement
Nov 2021	Commencement of the Junction Works scheduled.
Aug/Sep 2022	Completion of the Junction Works scheduled.
Sep 2022	Commencement of construction of the Food and Drink Innovation Hub (subject to ongoing project review).

Strategic Added Value

- The Innovation Hub forms a key part of an ecosystem of Innovation themed projects promoted by the Edinburgh South East Scotland City Region Deal.
- The whole project will contribute to job density improvement for the wider city region by making available infrastructure/construction opportunities and employment opportunities within the Innovation Hub and the EIP.
- The Innovation Hub will generate job opportunities in the sector for those highly skilled graduates both through the innovation led growth of the businesses located there, and through providing access to the space, facilities and services for food and drink graduate start-up companies.
- Ongoing collaboration and partnership working between East Lothian Council and QMU.
- Community Benefits such as internships, work placements, apprenticeship opportunities
- The project will embrace environmental sustainability within its design and operation with a particular focus on carbon reduction.

FIFE INDUSTRIAL INVESTMENT INNOVATION

The Fife Industrial Innovation Investment (i3) Programme is a £50 million, ten-year programme delivered by Fife Council.

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



Completed units at Flemington Road, Queensway Industrial Estate, Glenrothes

The new industrial and commercial stock will ensure that Fife's industrial estates provide flexible space for innovative manufacturing industries with cutting-edge digital and energy capabilities. Four sites will be developed in Glenrothes, Kirkcaldy, Lochgelly and Dunfermline during the first three years of the Programme. Around four hectares (ha.) of newly-serviced employment land will be available for private sector investment, along with almost 4,000 square metres of newly developed business space to let.

Headline achievements in the past year

- Completion of nine new business units at Flemington Road, Queensway Industrial Estate, Glenrothes (March 2021).
- Construction project underway at Dunnikier Business Park, Kirkcaldy (scheduled for completion in September 2021).
- Acquisition of Fife Interchange North, Dunfermline (March 2021) and site servicing works underway (June 2021).
- Construction Project underway at Hillend & Donibristle Industrial Estate, Dalgety Bay (August 2021) – scheduled for completion in September 2022.
- Early closure of Construction Project at The Avenue, Lochgelly, to take advantage of a private sector interest. This has been replaced with a larger-scale Site Servicing Project.

Next Milestones

Due Date	Milestone
Sep 2021	Completion of seven new business units at Dunnikier Business Park, Kirkcaldy.
Nov 2021	Circa 2 ha. of land serviced and immediately available at Fife Interchange North, Dunfermline.
Apr 2022	Implementation of Tranche 2 of the Fife i3 Programme commences.
May 2022	2 ha. of land serviced and immediately available at The Avenue, Lochgelly.
Sep 2022	Completion of eight new business units at Hillend & Donibristle Industrial Estate, Dalgety Bay.

Strategic Added Value

The Fife i3 Programme works closely with the Borders Innovation Park Project to share Lessons Learned and has also engaged with the DDI Programme around Innovation opportunities. It is envisaged that these linkages will continue to strengthen as the Programme moves from construction activities into support to tenants.

Fife Council's strategic inclusive growth priority is the Mid-Fife Area. All projects in the Fife i3 Programme are considered within the context of their contribution to inclusive growth and the locations for investment have been selected based on criteria that include:

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

In addition, when the Programme was reviewed in preparation for Tranche 2, four additional criteria relating to sustainability and net zero were added to the site selection process:

- Greenfield – greenfield sites are generally not preferred unless they fulfil other sustainability criteria or make a significant contribution to other strategic objectives.
- Passivehaus – can the site accommodate a passivehaus design, particularly in relation to the orientation of the building to maximise passive solar gain?
- Renewables – does the site have access to any renewable energy source (e.g. district heat network, air source or solar power)?
- Vacant & Derelict Land – will the project remediate vacant and derelict land or property?

Work continues to develop and refine the Programme's approach to sustainable construction.

CASE STUDY – FOX INNOVATIONS

Fox Innovations is a new business venture for a local entrepreneur and chemist who has already demonstrated business acumen with the success of Little Fox Soapery, an artisan company offering a range of vegan, organic, palm free and cruelty free soap and personal care. The company is among the first tenants of the Fife i3 Programme. The newly constructed business unit has allowed them to maintain temperature stability, which has created a better manufacturing environment for their products. The company plans to recruit new staff as the business expands.



A Focus on Sustainability

COVID-19 has been the focus of 2020/21 but tackling the other crises facing the planet remains urgent: conserving natural resources, loss of biodiversity and social inequality. Fox Innovations recognise that long-term value creation will be driven at the intersection of innovation and sustainability. Sustainability makes good commercial sense: consumers want products sourced from natural ingredients which make a positive contribution to the environment and local economy and to buy goods and services from purpose-driven companies. The regulatory environment is also forcing businesses to be more sustainable to maintain compliance, which is further driving innovation.

Approach to Sustainable Innovation and New Product Formulation

Typical liquid cleaning products are made up of more than 90% water. Drying them out into a solid reduces their volume and weight, thus reducing the number of trucks, fuel and carbon emissions associated with shipping. It also eliminates the need for plastic packaging, meaning less disposable plastic ends up in our landfills and environment.

The company focuses on sustainability-based consumer demands that are driving industry innovations, such as clean beauty and high efficacy waterless formulations. It has formulated a range of home and personal care products that utilise green chemistry principles with biobased raw materials to replace current petrochemical derived, liquid solutions that are packaged in plastic. All Fox Innovation products are packaged in plastic-free compostable cardboard sleeves that double-up as a shipping envelope, further reducing waste.

Drop a tablet in warm water and leave it to dissolve or drop a compostable pod into water in a spray bottle to refill your cleaner without the waste. Or use a zero waste laundry strip – a lightweight pre-measured strip of detergent that you add to your wash, which quickly dissolves in water and can be used in any washing machine or hand wash and is equally effective in hot or cold water.

The Digital Opportunity

Digital tools offer speed, intelligence, connected supply chains and overall efficiency gains. Digital transformation offers unparalleled opportunities to support the increasing requirements for integrity in supply chains, the need for faster innovation, the continued drive to make more with less and the rapidly increasing expectations for sustainability reporting and disclosure. Consumers, too, empowered by digitalisation have changing expectations, greater choice than ever, and a desire to know more about the products they use. Fox Innovations have recently been awarded Digital Boost Funding, administered by Business Gateway Fife. Specialist equipment will support operational efficiency, sustainable procurement and facilitate transparency in the supply chain to enable third party certification.

“Being part of the Fife i3 Programme has allowed us to keep expanding the business, and we are so proud to be manufacturing from our base in Fife. The high specification of the new unit gives us much greater control over the ambient temperature – this is key to our manufacturing process. The result is that, from the same inputs, we now produce more useable product and less waste. We are committed to both innovation and sustainability and where these intersect is exactly where we want to position the business.” **Barbara Robertson, Fox Innovations**

BORDERS INNOVATION PARK

The Borders Innovation Park, situated next to the Borders Railway terminus at Tweedbank, will deliver much-needed high quality business space to the Scottish Borders. Costing £29 million, the programme will stimulate business growth and associated job creation.

It will enhance the area's inward investment offer, particularly to high-value sectors, as well as assisting existing businesses to improve their competitiveness. It will also help to address inequalities in the area through providing access to better quality, higher paid jobs.



Headline achievements in the past year

- **July 2020:** Start of construction of Phase 1.
- **Summer 2021:** Planning application for Phase 3 road infrastructure.
- **Summer 2021:** Publication of Scottish Borders DDI opportunities report.

Next Milestones

Due Date	Milestone
September 2021	Completion of construction of first office building, Phase 1.
October 2021	Official opening of first office building, Phase 1.
Autumn 2021	Submission of revised Full Business Case for Phases 2 and 3.

Strategic Added Value

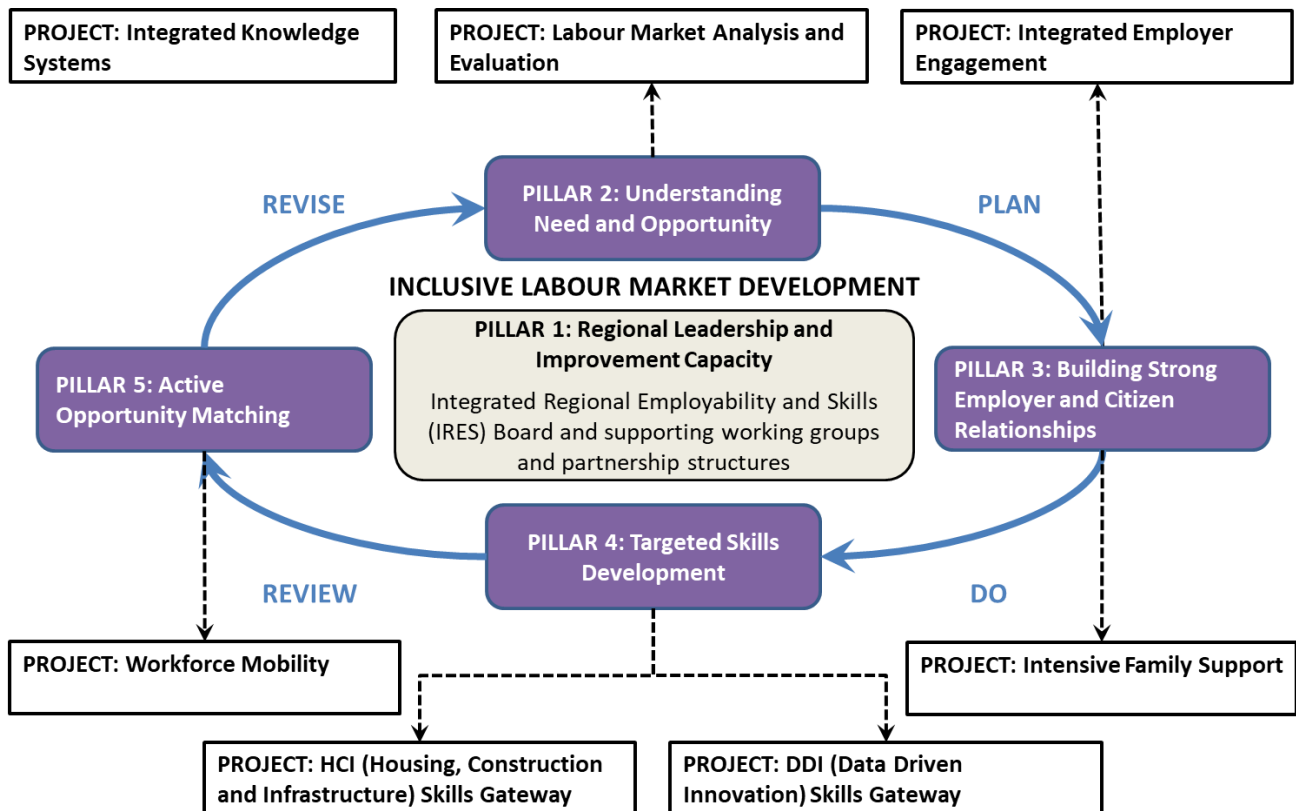
Scottish Borders Council is working with strategic partners, particularly Fife Council and the University of Edinburgh, to maximise the benefits of data-driven innovation and its potential to increase the number of innovation-active businesses, both regionally and locally. In the summer of 2021, a report on data-driven innovation opportunities in the Scottish Borders will be published. As a participant in the City Region Deal Housing, Construction and Infrastructure (HCI) Skills Gateway, the Council will look to develop new talent through utilising the construction opportunities during the build phases of the innovation park.

INTEGRATED REGIONAL EMPLOYABILITY AND SKILLS

The Integrated Regional Employability and Skills (IRES) Programme and its cross-sector partnership seeks to evolve regional labour market policy and practice to help drive inclusive growth.



As demonstrated in the figure below, the programme continues to focus on five improvement pillars with seven projects targeting known areas of weakness or opportunity. These activities and the £25 million (over eight years) change fund available to the partnership will deliver: an additional 14,700 skill improvements; 5,300 people into employment; and a further 500 career enhancements.



The IRES Programme continues to:

- Increase the visibility of opportunities and put in place tailored support to help citizens flourish with a focus on groups who are disproportionately affected by the downturn in the labour market due to COVID-19.
- Open up new and diverse talent pools to business that help address skills gaps and promote an inclusive approach to recruitment and workforce development.
- Evolve, streamline, and integrate the region’s employability and skills system to enhance our capacity and capability to drive inclusive growth and create added value for stakeholders.

In 2020/21 the IRES Programme revised delivery in response to COVID-19 by introducing several interventions across the IRES programme including the adaption of digital and online learning, employer engagement and funding to support job retention and adaption to flexible working. Face to face activities were postponed, and some were re-introduced when restrictions eased.

The IRES Board recognised that the scale of intervention planned through the IRES Programme was not adequate to mitigate the impact of COVID-19 alone, so the programme provided strategic direction and a governance framework for wider partnership work including investigation into a

potential Health & Social Care Skills Gateway. The impact of the pandemic has re-affirmed the rationale behind the programme and how important inclusive growth will be in supporting economic recovery.

Headline achievements in the past year

Integrated Employer Engagement (IEE)

- In response to COVID-19 and consultation with key partners, a small business grant programme was launched targeting micro businesses within the ESES community. This programme supported 77 business to adjust to new trading under government guidelines. A follow-up survey revealed that 103 individuals retained their employment due to this intervention.
- Since launching, the c19 jobs portal ([C19jobs.org](https://www.c19jobs.org)) has received over 26,000 unique visitors. 1600 employers have advertised over 3,800 vacancies within the ESES region. Over 400 job seekers have been referred for additional employability support.
- A Fife-based developer Horisk Leslie, was awarded the contract for the development of a Community Benefit Wishlist Portal due to launch by Q3 2021. The portal will provide a platform for local beneficiaries and suppliers to come together to deliver innovative community benefits across the region.

Workforce Mobility (WFM)

- Clarity on the key workforce mobility barriers across the region have been identified through various research methods including a survey which was undertaken to validate the anecdotal evidence.
- The Workforce Mobility Project successfully coordinated the regional response to the Scottish Government review of free bus travel for people aged under 25.
- Two partners were supported to prepare applications to the UK Community Renewal Fund for Demand Responsive Transport. One bid was submitted to UK Government for more than £1M, with the other bid not passing the internal gateway review. If approved in autumn 2021, the project will integrate with other partners including SEStran, allowing commercialisation of services or further bids for funding.

Integrated Knowledge Systems (IKS)

- Procurement of a software partner for the IKS project was awarded through Public Contract Scotland. Hanlon Software Solutions won the tender and have entered a two-year contract.
- Extensive investigate into the challenges of integrating data across different systems which has helped shape the IKS project plan.

Labour Market Analysis & Evaluation (LMAE)

- The [Edinburgh and South East Scotland Labour Market Toolkit](#) has been developed and delivered.
- Analysis into the cross-cutting skills required in the region's Health and Social Care, Financial services, and Construction sectors has been conducted.
- Support for the ESES Regional Intelligence Hub (RIH) concept has been generated, resulting in a pilot model being approved by the Directors' Group in June 2021.

Intensive Family Support Service (IFSS)

- The Intensive Family Support Service underwent a process of co-production across the region which informed the design of the service specifications for each local authority area. A competitive grants process was successfully carried out to appoint delivery partners. The service is now fully operational and is working with 62 families and 215 individuals across the city region.
- Despite the challenges of the pandemic, service delivery providers have successfully developed positive relationships with the families that they are working with, engaging creatively to provide crucial supports to families further disadvantaged by the pandemic. Caseworkers have delivered over 1176 service sessions, achieved 10 positive outcomes in employment, education and training for young people, and 2 positive outcomes in employment, education and training for adults. Financial gains of £7670 have been secured for the families engaged with the service.
- The IFSS Community of Practice (CoP) collaboratives have been key to facilitating the building of relationships with service delivery partners, including caseworkers, across the IFSS. Collaboratives are held monthly on a rotating basis and are grouped by specialism. They have provided the opportunity for the core team to get to know the managers and caseworkers across the IFSS as well as for them to build relationships, and share challenges, successes and learning across the IFSS with each other.

Data-Driven Innovation (DDI) Skills Gateway

- A series of Live Lessons were held open to school pupils across the region. Over 4,500 learners were engaged with.
- Data Skills Credit funding was distributed to over 80 individuals looking to upskill their data literacy.
- An extensive programme of CPD for College lecturers was run, sharing expertise across the region's colleges and universities.

QUOTE

Bageshri Hasabnis, Data Skills Gateway – part of the first cohort of students to complete the Professional Development Award in Data Science

“Due to relocating from India to the UK and having a baby, I took 15 years out from my data science career. But now my child has grown up and I have more time, I had already started thinking about my career because I was missing the data skills that I had learnt in university.

I'm passionate about programming and so this course was a great opportunity for me to improve my IT skills.

I had been out of the data science field for 15 years, so of course my knowledge was outdated. But doing this course makes you feel more confident and that is the most important thing because it re-ignites your interest, and you start to get that buzz back.

I previously never thought that data science could be a career option for me. But now I think – yes I can do this!”

Housing, Construction, and Infrastructure (HCI) Skills Gateway

- Over 370 learners in new short skills courses addressing regional key skills gaps, plus 21 postgraduate scholars were appointed at Edinburgh Napier and Heriot-Watt Universities (80% of whom are female).
- Three industry challenges have been delivered, engaging over 60 students from SE Scotland – Inter SGN (reimagining the use of legacy gas container sites) Offsite Ready (offsite construction for West Lothian’s Becaigs country park) and the Icebox Challenge (Passivhaus principles for COP26).
- Over £59,000 has been leveraged in in-kind and cash support to the Timber Technology, Engineering & Design pathway, a new training process to accelerate sustainable timber construction careers.

Next Milestones

Due Date	Milestone
Programme Delivery	
On-going	Review intelligence from programme activity and labour market research to identify next step projects, service adjustments, or other changes.
On-going	Set out mainstreaming plan to sustain successful interventions, end redundant/ineffective activity, and create headroom for next step projects.
On-going	Monitor, review and where appropriate adapt project activity considering COVID-19 impact on current and future demands within the labour market.
Dec 2021	Review project outputs and the impact on jobs, ensuring that these contribute and align with overall City Region Deal Benefits Realisation Plan. Implement an appropriate system of definitions, capture, recording and aggregation.
Dec 2021	<u>Integrated Employer Engagement (IEE)</u> <ul style="list-style-type: none"> • Develop and launch Community Benefits Wishlist Portal (ESESCommunities.org). • Expand the employer led Recruitment and Skills Centres to support employers to establish training and skills academies linking to sustainable employment opportunities. • Launch an Employer Fund designed to support employers and their workforce once the furlough job retention scheme comes to an end.
Aug 2022	<u>Workforce Mobility (WFM)</u> <ul style="list-style-type: none"> • Pilot project using employee origin/destination data to design/optimize bus routes to service the user needs. • Explore solutions for other mobility barriers faced by users. • Provide input into policy creation, development, and delivery to ensure workforce mobility is addressed
Dec 2021	<u>Integrated Knowledge Systems (IKS)</u> <ul style="list-style-type: none"> • Implementation of the School Work Experience (City of Edinburgh Council) replacing existing system to improve alignment and reporting. • Replace existing MIS (Caselink) with the new Information Knowledge MIS including the migration of existing data. • Support IFSS and IEE with the transition from Caselink onto the new MIS including the migration of existing data.
Aug 2022	<u>Labour Market Analysis & Evaluation (LMAE)</u> <ul style="list-style-type: none"> • Monitor and evaluate engagement with the ESES Labour Market Intelligence toolkit and build in feedback to the resource.

	<ul style="list-style-type: none"> • Deliver on the ESES Climate Emergency and Green Skills research to support the development of the Regional Prosperity Framework. • Refresh the Labour Market Information 'Best Practice' Research considering COVID-19. • Progress on the Regional Intelligence Hub (RIH) to be reported to the Directors' Group in December 2021.
Aug 2022	<u>Intensive Family Support Service (IFSS)</u> <ul style="list-style-type: none"> • Continued research into organisational and social interactions within IFSS by Dr Sarah Galey-Horn, University of Edinburgh Research Fellow. A baseline will be developed and will act as a benchmark for future monitoring & evaluation. • Delivery partners will undertake Systemic Practice Training which promotes the belief that families and people have the capacity to change. This training will promote a consistency of approach across the service. • IFSS will undertake a performance review and embark on period of consultation with families engaged in the service. The programme will be reviewed and evaluated, and information collected will inform the next phase of delivery
Aug 2022	<u>Data-Driven Innovation Skills Gateway (DDI)</u> <ul style="list-style-type: none"> • Deliver a series of open seminars engaging teachers across the region. • Launch skills portal to signpost learners to data skills opportunities across the region. • Plan and deliver a "Day of Data" to align with DataFest and wider community engagement planned activity.
Aug 2022	<u>Housing, Construction, and Infrastructure (HCI)</u> <ul style="list-style-type: none"> • Engage over 200 young people across the region in designing their ideas for a sustainable human habitat to be displayed at the UN Climate Change Conference, COP26, in November 2021. • Appoint at least 15 postgraduate scholars from groups under-represented in construction – including women, BAME and people with disabilities. • To support over 500 people across the region to gain new and emerging construction industry skills.
Review and Deliver Next Step Change Projects	
On-going	Mainstream successful activity, end poorly performing interventions, and agree next step projects.
On-going	Review intelligence from programme activity and labour market research to identify next step projects, service adjustments, or other changes.
On-going	Review and Update Implementation Plan and other documents as required.
Reinforce, Embed, and Further Develop	
Dec 2021	Embed new system components, monitor, and adjust.
On-going	Review intelligence from programme activity and labour market research to identify next step projects, service adjustments, or other changes.
On-going	Review and Update Implementation Plan and other documents as required.

Strategic Added Value

Inclusive growth remains at the centre of the IRES Programme with the aim of supporting long term sustainable destinations for those who live and work within the ESES region. By supporting local and regional ambition the IRES project has contributed to national policy to help shape future investment for the region.

As the partnership supporting IRES develops, further opportunities for wider alignment have developed:

- **Formation of the Regional Intelligence Hub (RIH)** – The objective of this group is to enhance information sharing, encourage collective knowledge and inform future skills investments and development.
- **Launch of the Data Intelligence Group (DIG)** – Aiming to share data and intelligence activity broadly related to the ESES City Region Deal; with a goal of identifying opportunities and integration, while reducing duplication. The group has a Data Governance remit to increase the efficiency of data related activity.
- **Business case being developed to introduce a Health and Social Care Gateway.** This aims to promote access to jobs in a key industry sector that have identified significant skills shortages and labour demands, which have been further exacerbated by the impact of COVID-19.
- **Approval of the ESES Task and Action Group pilot.** This pilot is funded to produce an insight into Climate Emergency and Green Skills. The research will also review the region’s existing green skills provision and identify potential challenges and equalities implications that the transition to net-zero may have on the labour market.

CASE STUDIES

1) INTENSIVE FAMILY SUPPORT SERVICE - MAKING IT WORK FOR FAMILIES. FIFE GINGERBREAD, CLUED UP, CARF AND FIRST

A lone parent family were referred to Making it Work for Families from the local high school. There were concerns about the young person’s attainment and attendance at school, as well as the parent’s mental health.

The Family Support Worker engaged with the family and found that strained relationships were impacting the family. The parent identified that they would like this to improve.

It was found that the family were also struggling financially. The Financial Inclusion Worker completed a benefit check and as a result, the household are now better off by over £200 per week.

The young person engaged with the project’s Youth Worker and identified areas of support, including mental health and social isolation. The Youth Worker implemented a gradual exposure model to support the young person back into education, where they have achieved an increase in both attainment and attendance.

The family continue to engage with the supports in place, both as individuals and as a family unit. The Family Learning Worker has begun working with the family to support the development of positive relationships within the household, while the team will continue to work with the family towards their individual goals.

2) INTEGRATED EMPLOYER ENGAGEMENT – EMPLOYER FUND

In response to COVID-19 and consultation with key partners a small business grant programme was launched in October 2020 targeting micro businesses within the ESES community.

This programme supported 77 business to adjust to new trading under government guidelines. A follow up survey revealed that 103 individuals retained their employment due to this intervention.

This [short video](#) showcases three businesses who were awarded funding through this grant programme and what impact this had on their businesses.

3) DATA-DRIVEN INNOVATION SKILLS GATEWAY – DATA SKILLS FOR WORK

When Esther Weil first started looking for a job, she found her data skills were lacking:

“I had basic programming skills” but not for “the specific programmes and languages” that she had seen referenced in many job advertisements.

Esther turned to the Data Skills for Work programme, which aims to upskill adults with data using initiatives like the Data Skills Credits scheme, with adults who are unemployed or underemployed granted £500 towards the cost of data centric courses.

Having seen SQL – a tool for data analysis - referenced in job advertisements, Esther took an SQL course with CodeClan using the scheme, simultaneously learning new skills and boosting her confidence.

Esther was required to use the SQL programme within a few weeks of starting her new job, which she began shortly after finishing the SQL course. Buoyed by her success in applying the skills she learnt on the course to her new job, she plans on taking more data classes online:

“As digitalization continues to change the job market severely it is important to stay ahead of the curve...data science and skills in data [are] an essential part of expertise in the future job market.”

“I can absolutely recommend the programme and encourage everyone to apply for this up-skilling opportunity”.

TRANSPORT

WEST EDINBURGH

West Edinburgh is recognised by the Scottish Government as a key national economic asset and perhaps the most important gateway to Scotland. [National Planning Policy](#) (NFP3) set the long-term vision for development and investment across Scotland and cites West Edinburgh as a significant business investment location with potential to be internationally competitive. In recognition of its key gateway function Edinburgh Airport and adjoining land is identified as a national development.

The vision for West Edinburgh, can only be delivered through the investment in a strategic package of transportation improvements. These include a core package of A8/A89 sustainable transportation measures that provide long term resilience and support strong connectivity between neighbouring authorities. Most importantly this will help enable the supply of labour from the surrounding area to meet the growing labour market demand required to realise the full potential for West Edinburgh.

The Scottish Government has committed £20 million for investment to support public transport infrastructure improvements identified by the [West Edinburgh Transport Appraisal](#) (WETA), and the City of Edinburgh Council has committed £16 million. Partners recognise that the WETA package currently amounts to £108 million of infrastructure. The scope of WETA will therefore be prioritised in line with this funding, and in consideration of how much funding can be secured by the private sector and developer contributions.

Headline achievements in the past year

December 2020: Procurement of Design and Delivery consultants and advisors.

March 2021: Strategic Case document and objectives refresh now complete.

April 2021: In recognition of Climate Emergency, an application was made to the Scottish Governments Bus Partnership Fund to augment core WETA packages with deliver more ambitious measures.

Next Milestones

October 2021: Outline Business Case (OBC) Options Analysis.

January 2022: Production of an Outline Business Case (OBC) for the programme following latest HM Treasury Green Book and Scottish Transport Appraisal Guidance.

April 2023: Detailed design of projects, site investigations, attainment of necessary statutory powers in order to implement improvements. Procurement of Contractors.

Q2 2023: Construction of Transport Improvement Projects commences (and ends 2025).

Strategic Added Value

The purpose of the West Edinburgh Transport Improvement Programme is to progress the delivery of the public transport and active travel measures identified in the 2016 WETA Refresh study including the assessment of the feasibility and demand for a new Park & Ride site at Kilpunt, on the A89 near Broxburn. A parallel exercise is also exploring the potential benefits of a number of more ambitious bus priority and active travel measures to those originally proposed in WETA. These would help support the emerging transport requirements from Edinburgh's City Plan 2030 and wider regional growth ambitions.

Interventions are being appraised against a wide range of objectives including, but not limited to, the promotion of sustainable travel to a range of destinations; improving regional connectivity and accessibility for all to jobs, education, healthcare and leisure; and delivering a combined active travel and public transport mode share of 50% within West Edinburgh to support net zero carbon emission targets.

The Programme brings together a range of stakeholders contributing to successful delivery. These include the City of Edinburgh Council, West Lothian Council, Bus Operators, Transport Scotland, Active Travel Groups, Bus User Forums, SEStran, Sustrans, Network Rail, Edinburgh Airport, Major Developers and other statutory consultees.

This project will eventually be procured as a construction project, and links with the Housing and Construction Infrastructure Skills Gateway will be established. The improvement of public transport provision in this area has the potential to unlock housing development opportunities and ease congestion in the corridor between West Lothian and Edinburgh.

A720 (SHERIFFHALL ROUNDABOUT)

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



Visualisation of the proposed Scheme looking from the South-West



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

Headline achievements in the past year

- A review of public transport and active travel facilities was undertaken on whether it is feasible and desirable to further improve active travel and public transport provision whilst not creating additional impacts for local landowners, residents and business. The review is now complete and indicates that the scheme, as promoted, already provides high quality active travel facilities and offers significant local bus journey time savings of up to seven minutes.
- Continued engagement with the City Region Deal partners, on progress and technical scheme developments.
- Continue to review and respond to representations made to the draft Orders and Environmental Statement and engage with objectors to resolve concerns where possible.

Next Milestones

Due Date	Milestone
Later in 2021	Respond to representations made to the draft Orders and Environmental Statement and engage with objectors to resolve concerns where possible.

	Should objections remain a Public Local Inquiry may be required which is the appropriate forum for considering objections received and not withdrawn. Progress on the delivery of the scheme itself can only commence when the scheme is approved under the statutory procedures and thereafter a timetable for construction can be determined.
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Strategic Added Value

The project will:

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

CULTURE

DUNARD CENTRE

The Dunard Centre, supported by Royal Bank of Scotland, will be Edinburgh's first purpose-built music and performance venue in over 100 years. One of the boldest ventures in the city's recent past, it will rival the best in the world in acoustical quality and audience experience. At its heart will be an auditorium offering the flexibility for all kinds of acoustic and amplified music and performance. Education and community outreach will be central to the vision, creating an informal cultural hub and contributing to the conditions needed for culture to thrive in the region and throughout Scotland.

IMPACT Scotland is the charity taking the project forward and is being supported by unprecedented levels of private philanthropy, including exceptional support from Dunard Fund, a long-term funder of the arts and music in Scotland.

The venue will be the new home of the Scottish Chamber Orchestra and a principal venue for the Edinburgh International Festival. Both organisations will support and contribute to the year-round education and outreach programme, and through further partnerships, opportunities will be developed to enable people to enjoy culture throughout their lives as both participants and audiences.

The current design will be considered for planning approval in autumn 2021.

Headline achievements in the past year

- Building redesigned to maintain 1000 capacity auditorium offering the flexibility for all kinds of acoustic and amplified music and performance, whilst achieving the required reduction in building size

Next Milestones

Due Date	Milestone
Autumn 2021	City of Edinburgh Council planning approval
Spring 2022	Joint Committee approval of business case
Summer 2022	Construction begins

Strategic Added Value

Opportunities are currently being explored to identify potential future **links with data driven innovation** and the extensive use of new technology in the Dunard Centre. With education and outreach central to its operation, potential links to the CRD skills theme will also be explored to identify where the themes of skills and culture can be brought together to create innovative new opportunities.

Partnership working is core to the project, and currently brings together a number of Scotland's leading arts, culture and finance organisations. There is considerable potential to expand these opportunities in numerous sectors and throughout the region. As outlined in the business case, more partnerships will be created as the project moves towards its operational phase.

Considerable investment through the construction period will **create jobs** and contribute to the economic growth of the region at a particularly pertinent time, as we build back from the pandemic.



Once operational, a range of high-quality employment opportunities will be supported directly and indirectly by the venue.

The Dunard Centre has been designed for a **low carbon future** with sustainability through reduction of the use of fossil fuel and embodied carbon as key design principals. The building has been designed with passive design principals embedded through enhanced building thermal performance and low building air tightness. The buildings heating and cooling source is a high efficiency revisable heat pump solution using electricity which achieves compliance with Section 6 of the Technical Standards with a Silver Active sustainability certification achieved. Embodied carbon is also a key consideration an analysis of embodied carbon has been undertaken through the design process to track performance and ensure that the material choices consider the carbon impact within the decision-making process.

REGIONAL HOUSING PROGRAMME

The [Regional Housing Programme](#), aims to accelerate the delivery of affordable housing and housing across all tenures, enable the development of seven major strategic housing sites and drive efficiencies across the public sector estate. It has two strategic objectives were identified for the Regional Housing Programme:

- To deliver a step change in innovation and inclusive growth in the housing and construction sectors; and
- To deliver a step change in the supply of new homes across the South East of Scotland.



Regional partners collaborate, share best practices and lessons learned on strategic sites, infrastructure, affordable housing delivery, innovation and skills.

The pandemic has impacted the regional housing programme with construction sites closed for several months and safe working practices changing how we will take forward new housing developments now and in the future. Moving forwards there are significant challenges facing the housing and construction sectors with significant shortages of both materials and skilled labour reported across Scotland and wider UK. These challenges emphasise the importance of a strong regional housing partnership and programme. It also highlights the need for close collaboration with Government to explore future innovative approaches and delivery models for affordable housing. Despite these challenges the region has been able to demonstrate strong delivery of affordable housing as set out below.

The business case for the Dunfermline Strategic Site was developed by Fife Council in collaboration with Scottish Government and Scottish Futures Trust. The case for strategic transport infrastructure interventions to unlock housing delivery was approved at the [4 June 2021 Joint Committee meeting](#).

The outline business case for Edinburgh's Waterfront is well underway and is due for completion later this year. Cases for Blindwells and Tweedbank are at an earlier stage and will follow. Calderwood, Shawfair and Winchburgh sites are in ongoing delivery phases.

[Edinburgh Living](#) (housing company for mid-market rent owned by the City of Edinburgh Council in partnership with Scottish Futures Trust) has been operational for two years. All £16.1m in available Scottish Government grant funding, committed as part of the City Region Deal, has been claimed during the construction of homes. 299 homes have been completed to date with over 100 more due to be completed this year. Lessons learned and best practice continues to be shared with regional partners and work will continue to consider future housing delivery models.

Partners continue to collaborate on the regional affordable housing programme, where possible identifying opportunities to innovate, secure greater certainty and long-term commitment over future investment to accelerate delivery of affordable housing.

Headline achievements in the past year

- Dunfermline Business case approved at 4 June Joint Committee.
- Edinburgh Living reached 250 homes milestone.
- Despite the impact of COVID-19 in the last year, the collective Strategic Housing Investment Plans across the region delivered over 1,500 completions with nearly 2,200 site starts and a spend of £139 million.
- Establishment of a strategic site leads group to share lessons learned and best practice on developing business cases, financial innovation and delivery of homes.
- Collaboration with Scottish Enterprise to develop an economic impact assessment of the seven strategic sites.

- Housing Need and Demand Assessment (HNDA) 3 project, which seeks to quantify the current and projected housing needs of the city region including in relation to requirements for different tenures and specialist needs, is progressing well towards 2022 completion.
- [Edinburgh Homes Demonstrator](#) project is progressing well with a site identified for first project. The project will deliver a new business model for affordable housing that is key to the transformation of delivery (including collaborative procurement, design standardisation, whole life costs and net zero carbon performance) and moving towards the mainstreaming of modern methods of construction that can be deployed across the region.

Next Milestones

Due Date	Milestone
Autumn/Winter	<p>Granton Waterfront OBC complete. The plan is to deliver:</p> <ul style="list-style-type: none"> • around 3,500 new net zero carbon homes; • business start- up space and commercial opportunities; • Europe’s largest coastal park through creating new and enhanced green spaces; • creative arts, culture and leisure space; and • key services including a school and health centre.
Ongoing	<p>Edinburgh Living: Final draw down of Scottish Government funding in 20/21 has happened.</p> <ul style="list-style-type: none"> • Target of 1,500 homes by 2023. • Ongoing delivery. 400 homes have either been constructed or are under construction. • The Edinburgh Living Team continues to collaborate with regional partners and share best practice. Work will continue to consider future housing delivery models.
2021/2022 financial year	<p>Regional Affordable Housing Programme. Looking forward for the year ahead, the estimated number of completions is over 2,340 homes with an estimated 4,600 approvals. An estimated £234 million will be required to deliver this pipeline of affordable housing (pre-COVID-19 estimates).</p> <p>Regional partners are aiming to maximise number of new homes that can be approved for site start as well as working with Registered Social Landlords and contractors to deliver homes already approved or on site. Updated Local partner Strategic Housing Investment Plans to be submitted to Scottish Government in October/November 2021.</p>
October 2021	<p>Housing Need and Demand Assessment submission to Scottish Government</p>
Investment Working Group	<p>Working group to be established with Scottish Government to explore opportunities to secure more funding and long term certainty for delivery of new affordable homes.</p>

Strategic Added Value

Housing is a key **social, economic and environmental driver**. Greater integration across these drivers and City Region Deal policy themes is essential to support the growth requirements of the region and to deliver new communities which deliver the quality of place that ensures the South East of Scotland is a desirable place for people to live and for businesses to invest.

Regional housing partners have developed a work programme that has synergies between work being developed through thematic areas of the Deal: IRES Programme; Transport Appraisal Board (TAB); Innovation; and the emerging Regional Prosperity Framework. Linking construction programmes, contractors and developers to Housing Construction and Infrastructure (HCI) Skills Gateway programme. Ensuring that regional skills shortages are tackled, and employment opportunities are directed to communities within the city region and that individuals facing disadvantages in the labour market are targeted.

The [Edinburgh Home Demonstrator Project](#) – work continues with partners through the project to develop a new business model for the design and construction of affordable homes and mainstreaming modern methods of construction. The three key phases of the project are as follows:

- Phase 1 - South East Region Demand Analysis - Understanding demand to inform scalable solutions.
- Phase 2 - Net Zero Housing Digital Briefing & Design Catalogue - Assess common design approaches and then support how we define demand through the development of digital tools and component library that will support a net zero and inclusive economic growth.
- Phase 3 - Collaborative Procurement Model - Develop strategy and approach in how we deliver sustainable and collaborative procurement to support scaling of modern methods of construction.

CASE STUDY – EDINBURGH LIVING

More than 250 families have moved into quality affordable homes thanks to an initiative developed by the **City of Edinburgh Council's** mid-market rent partnership and **Scottish Futures Trust**.

The Council and Scottish Futures Trust have strong ambitions to continue to grow Edinburgh Living, with an acquisition target of 500 homes by the end of 2022, and the long-term aim to provide 1,500 new mid-market rent and market rent homes over the next few years. The council is proactively identifying more homes to achieve this ambition, delivering well-built, well-managed and energy efficient new homes through its own housebuilding programme.



CASE STUDY - DUNFERMLINE

The business case to part fund the Dunfermline Strategic Transportation Intervention Measures was [approved by the City Region Deal Joint Committee on 4 June 2021](#).

The expansion of Dunfermline represents one of the largest areas of strategic growth in Scotland, at a scale not seen out with Scotland's largest cities for a number of years.

Through the Housing Infrastructure Fund, £16.538 million City Region Deal grant funding will provide a means to unlock and accelerate investment in essential new strategic transportation infrastructure. This will facilitate large-scale mixed-use development and investment in Dunfermline and wider Edinburgh and South East Scotland city region economy, including unlocking up to 2,000 affordable and 6,000 private homes. This will assist Fife's and the wider region's post-COVID economic recovery by accelerating inclusive growth and creating new economic opportunities and jobs that will help to reduce inequalities in the Dunfermline area and beyond. Unlocking this strategic housing development, by removing barriers to physical growth, will help deliver Fife Council's ambitious affordable housing programme and support the Scottish Government's Housing to 2040 vision.

Effective joint working and a strong commitment to find a workable funding solution between Scottish Government, Scottish Futures Trust and Fife Council officials was key in the preparation and development of the business case. The Dunfermline experience, along with the recently shared lessons learned, will assist regional partners in the preparation of the remaining business cases for strategic housing sites under the Regional Housing Programme.

BENEFITS OF CITY DEAL FUNDING

£16.5m of Housing Infrastructure Fund grant will unlock:

40-year strategic urban expansion of Dunfermline

HOUSING - enable the delivery of :

Up to 2,000 affordable houses

Up to 6,000 private houses



TRANSPORTATION

Strategic & local road improvements

New footpath and active travel links

Create access for new public transport facilities

£67.9m developer contributions for off-site transportation infrastructure

c.£150m developer delivered on-site transportation infrastructure

Statutory closure of Kingseat Road level crossing



EMPLOYMENT LAND

Delivery of up to 80 ha employment land

1,000 construction jobs per annum across the construction phase

Approx 1,000 permanent/ recurring jobs by year 30 on the employment allocation *



SUSTAINABLE PLACE MAKING

Promotes quality of place

Applies infrastructure first principle

Access to new education provision - 5 new primary schools and additional secondary school capacity.

Access to new community facilities

Contributes to Fife's and the City Region's post-COVID recovery



* Footnote: Based on 25% take-up of employment land

5. REGIONAL PROSPERITY FRAMEWORK

The City Region Deal partners are developing an economic framework called the ‘Regional Prosperity Framework’ (RPF) to set an ambitious 20-year vision for our regional economy to 2041.

This work builds on the successes of the Deal, strength of partnership as well as the need to respond and recover from COVID-19 and its economic and social impact, and to address wider societal imbalances across the region within a net zero context.

Prosperity is a word that Regional Partners feel reflects our ambition for a future that works for everyone: economic growth must not be at the expense of our planet, it must not exploit or marginalise people, and it must be shared more equally across our places and communities. The focus on a ‘prosperous’ region is therefore one that underpins the Framework.

The emerging vision for the South East Scotland Economy - *We will drive the economic recovery of Scotland whilst ensuring the proceeds of innovation and prosperity are fairly and sustainably distributed across all sections of the community to tackle inequalities.*

We will protect our environment and make best use of our assets to ensure that the Edinburgh and South East Scotland City Region delivers for all its citizens as we transition to a zero-carbon economy. Our institutions, ancient and modern, will deliver benefit for all.

Regional partners have identified 3 core themes – flourishing, resilient and innovative:

- **Flourishing** - A fairer distribution of wealth, affordable access to housing and a just transition to net zero emissions.
- **Resilient** – innovative physical and digital infrastructure that is multi-functional and climate ready.
- **Innovative** – a digital region that works for everyone, where data-driven approaches drive decision-making across all sectors.

Partners also want to create a better, more sustainable connected region underpins its future success. We will promote future growth along key growth corridors extending from the regional core.

A series of ‘big moves’ have been identified which with the right commitment, partnership and investment can start to deliver the ambitions outlined. The first ten of these are:

1. The Data Capital of Europe
2. Re-building neighbourhoods, towns and cities
3. Sustainable transport and mobility
4. Regenerating the Forth estuary
5. Re-imagining sustainable tourism
6. Re-building support for green business
7. Re-designing the new skills system
8. Re-inventing healthcare
9. Collaborative response to climate change
10. Reaffirming the role of our anchor institutions

The RPF will have a delivery focus and will utilise the existing strong regional governance established by the City Region Deal. Focus will centre on:

- **New Ways of Working** - the UK Government, Scottish Government and Regional Partners in south east Scotland are to explore how to improve alignment of their plans, strategies, investment and funding priorities.
- **Big Moves and Pipeline Projects** – an initial pipeline of projects which can commence over the short to medium term (1-6 years) with the right investment and partnership approach are identified.

- **Action Planning** - an action plan will be prepared and regularly updated to ensure deliverables are live and to ensure we can respond to future economic, societal and environmental factors.

At the time of writing a [draft RPE](#) has just undergone a period of public consultation with all comments and feedback now being considered ahead of a finalised version being prepared for the 3 September 2021 City Region Deal Joint Committee meeting.

6 THE YEAR AHEAD

Date	Milestone
Sep 21	Joint Committee meeting where the following items will be considered: <ul style="list-style-type: none"> • Transport Appraisal Board Consideration of A720 Sheriffhall Technical Information • Edinburgh and South East Scotland City Region Deal Bus Partnership Fund Award: Funding Announcement and Next Steps • Regional Prosperity Framework – final report • Edinburgh and South East Scotland City Region Deal Annual Report
Oct 21	Official opening of first office building at Borders Innovation Park (Phase 1).
Nov 21	Commencement of junction works at Queen Margaret University for Food and Drink Innovation Hub.
Nov 21	Engage over 200 young people across the region in designing their ideas for a sustainable human habitat to be displayed at the UN Climate Change Conference, COP26 .
Dec 21	Joint Committee meeting where the following items will be considered: <ul style="list-style-type: none"> • A720 (Sheriffhall roundabout) progress update • Submission of revised Full Business Case for Phases 2 and 3 of Borders Innovation Park • Integrated Regional Employability and Skills Programme progress update
Dec 21	Launch of Community Benefits Wishlist Portal (ESESCommunities.org).
Dec 21	Granton Waterfront Housing Business Case complete.
Mar 22	Joint Committee meeting where the following items will be considered: <ul style="list-style-type: none"> • Dunard Centre Revised Business Case • West Edinburgh Transport Improvement Plan Business Case
Mar 22	National Robotarium fully operational.
Apr 22	Implementation of Tranche 2 of the Fife i3 Programme commences.
Jun 22	Joint Committee meeting where the following items will be considered: <ul style="list-style-type: none"> • A720 (Sheriffhall roundabout) progress update
Jul 22	Full DataLoch launch.
Jul 22	Regional Data Haven launch.
Aug 22	Launch skills portal to signpost learners to data skills opportunities across the region

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FURTHER INFORMATION

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