

## Notice of meeting and agenda

# **Edinburgh and South East Scotland City Region Deal Elected Member Oversight Committee Workshop Session**

**10.00 am Friday, 10th June, 2022**

Virtual Meeting - via Microsoft Teams

### **Contacts**

Email: [jamie.macrae@edinburgh.gov.uk](mailto:jamie.macrae@edinburgh.gov.uk)

Tel: 0131 553 8242

- 1.1 Welcome and Introductions - Councillor Russell Imrie
- 2.1 UK Government Overview - Levelling Up, UK Shared Prosperity Fund - Lauren Bruce
- 3.1 Scottish Government Regional Policy Overview - Karen McAvenue
- 4.1 Regional Prosperity Framework 5 - 14
  - a. Background/Strategic Overview – Paul Lawrence
  - b. Update on Delivery Plan (presentation circulated) – Phil Cragg
- 5.1 Green Freeport Bid - Stuart Wallace, Forth Ports (presentation circulated) 15 - 24
- 6.1 AOCB

**Gavin King**

Clerk

## Membership

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### **Midlothian Council**

Councillor Russell Imrie (Convener)

Councillor Kelly Parry

### **Scottish Borders Council**

Councillor Euan Robson

Councillor Elaine Thornton-Nicol

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

Councillor Cammy Day

### **West Lothian Council**

Councillor Tom Conn

Councillor Kirsteen Sullivan

### **East Lothian Council**

Councillor Norman Hampshire

Councillor John McMillan

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

Angela Cox

David Brown

Simon Earp

### **Fife Council**

Councillor Altany Craik

### **Regional Enterprise Council**

Robert Carr

Garry Clark

Nile Istephan

## Further information

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

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## RPF Update

**Moving from documents into delivery  
June 2022**

## Vision

The vision for the RPF as agreed in 2021 has not been changed

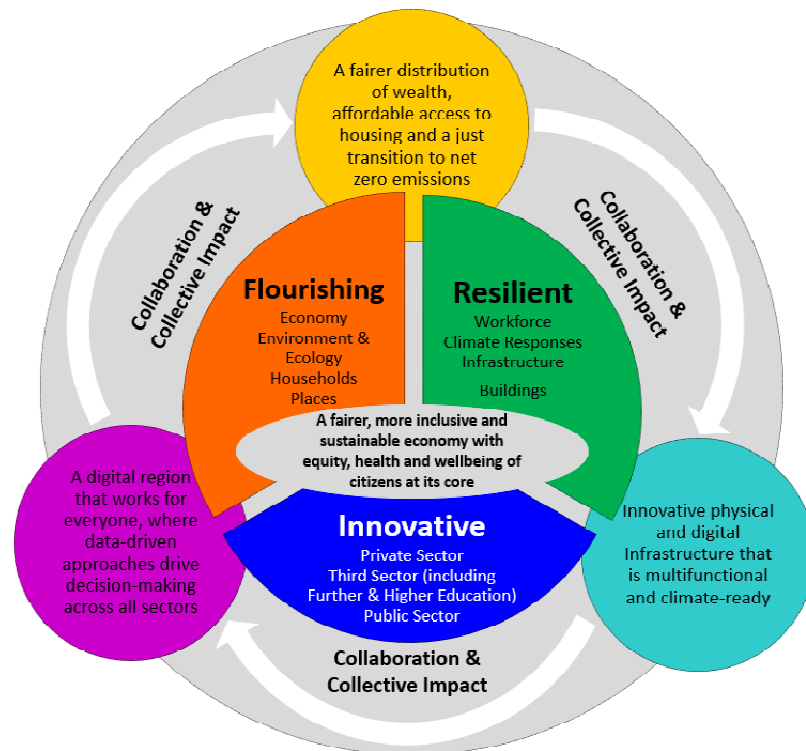
We will drive the economic recovery of Scotland whilst ensuring the proceeds of innovation and prosperity are fairly and sustainably distributed across all sections of the community to tackle inequalities. We will protect our environment and make best use of our assets to ensure that the Edinburgh and 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.



The vision for the RPF was agreed in 2021 across the region to help manage the effective delivery of a programme

# RPF September 2021 – 3 themes

Building on the themes to identify critical components for delivery



The governance committee approved the RPF in September 2021. This had, at its core, 3 central themes of:

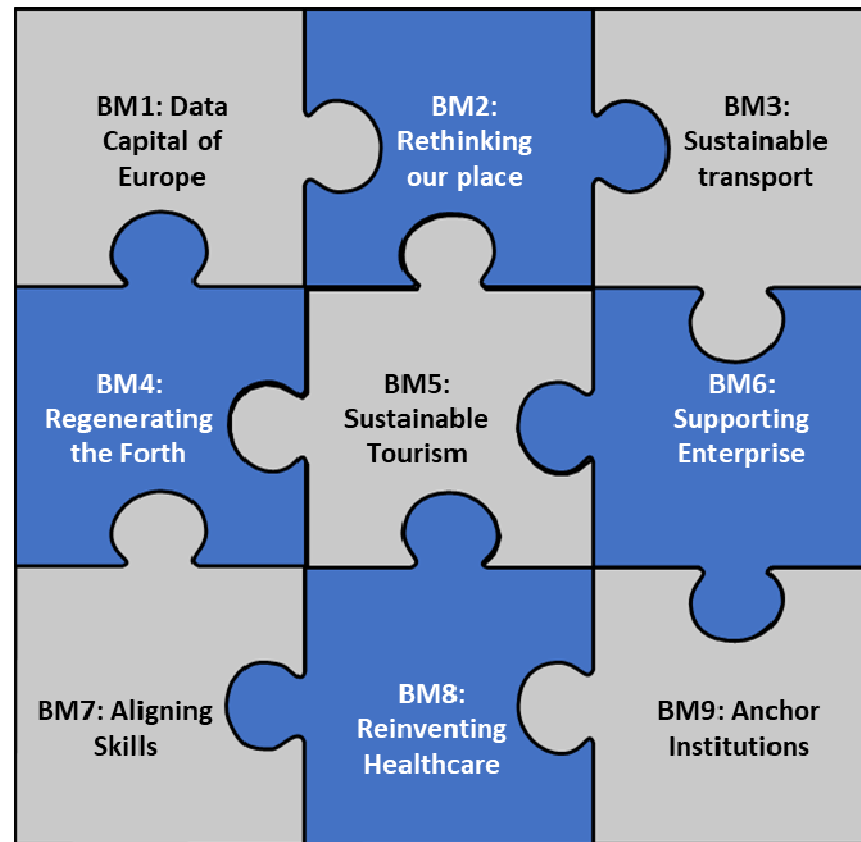
- 1) Resilient
- 2) Flourishing
- 3) Innovative

These themes were marked as being essential to delivering our regional vision for the RPF

## 9 big moves

How we structured working groups to progress key activity

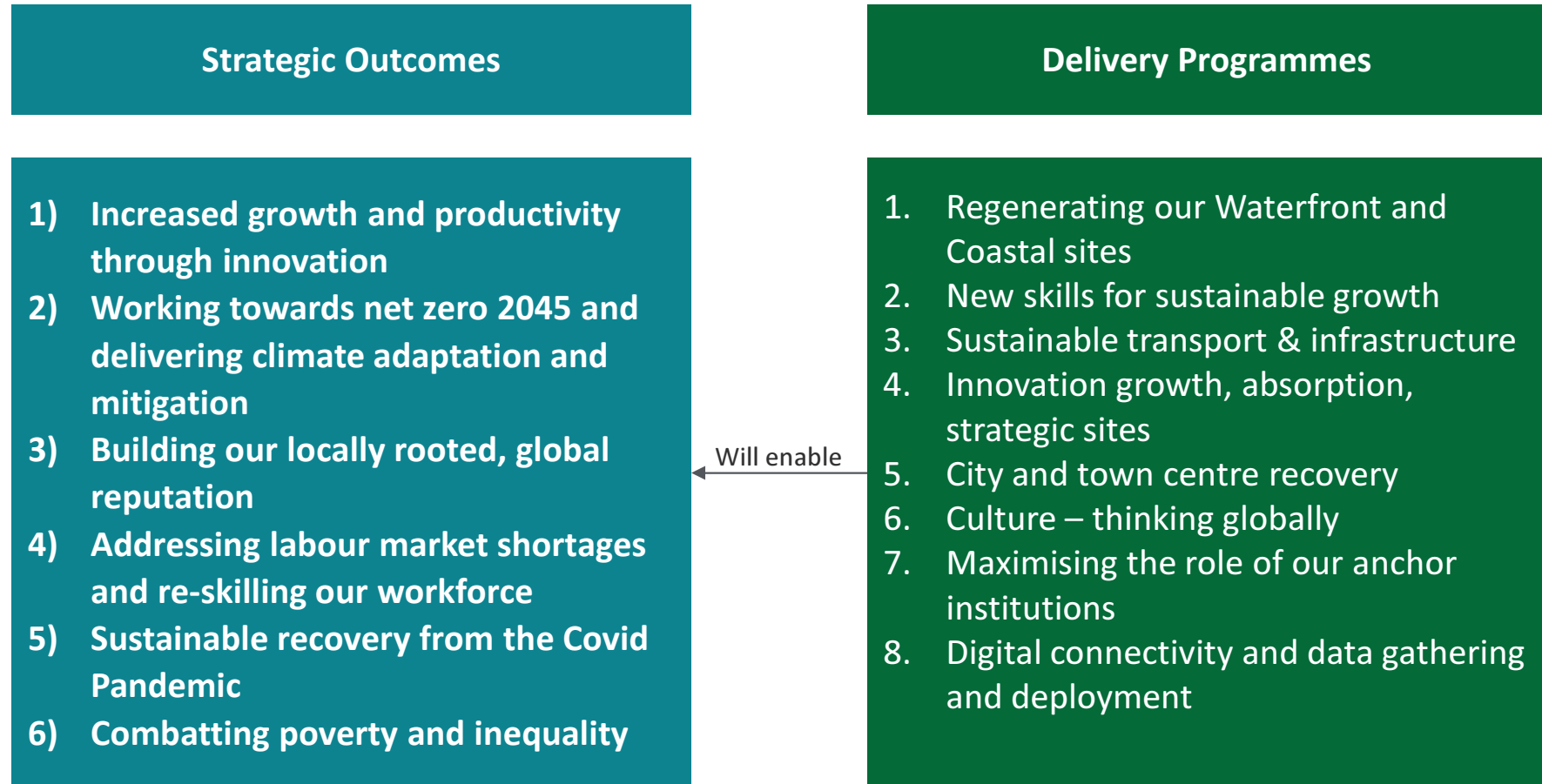
9 'Big Moves' were identified as being central to helping deliver this vision for our region. Each 'Big Move' was supported by a supporting team from across the region to help identify key projects required to deliver the change

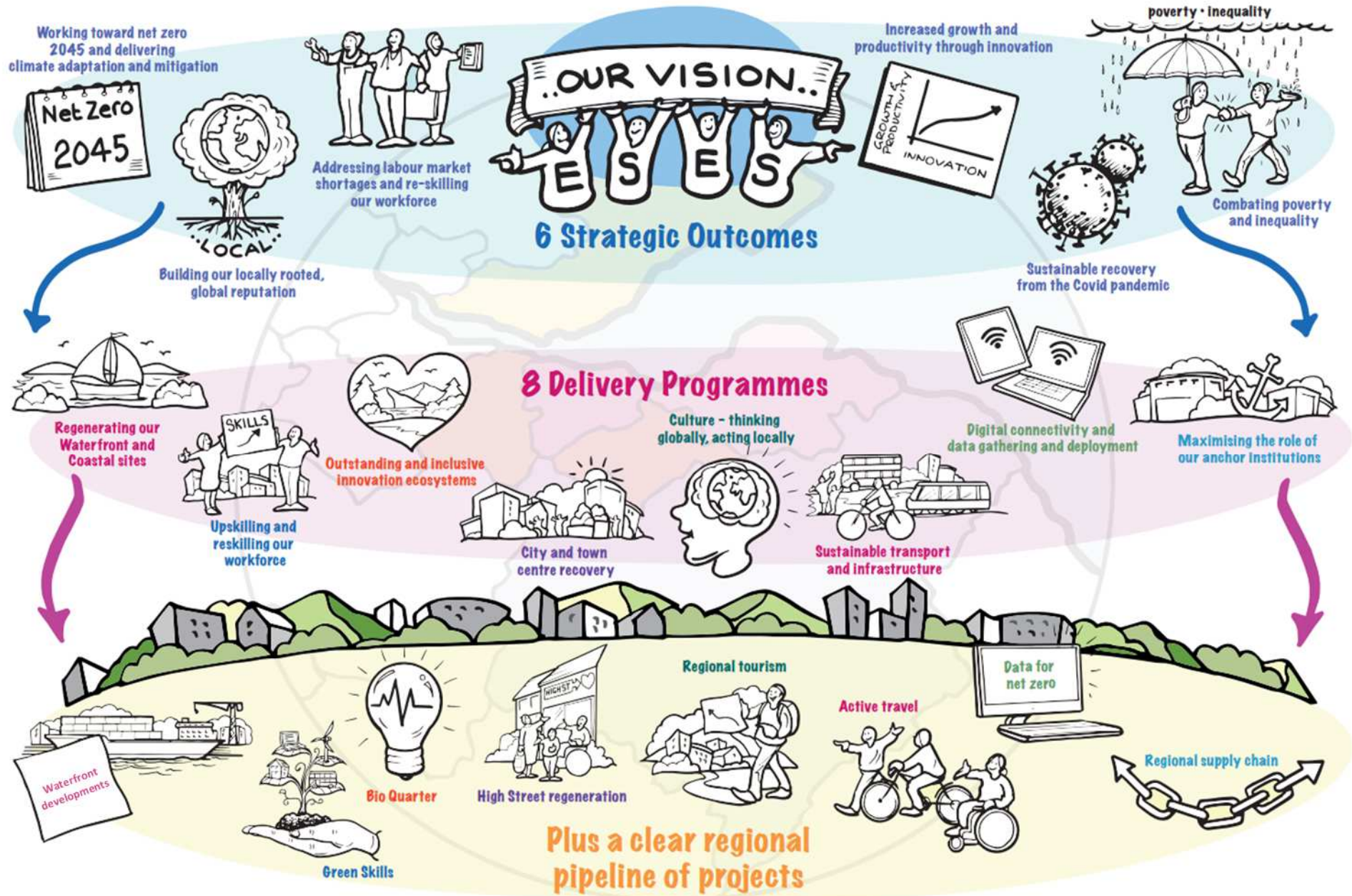




## What has changed?

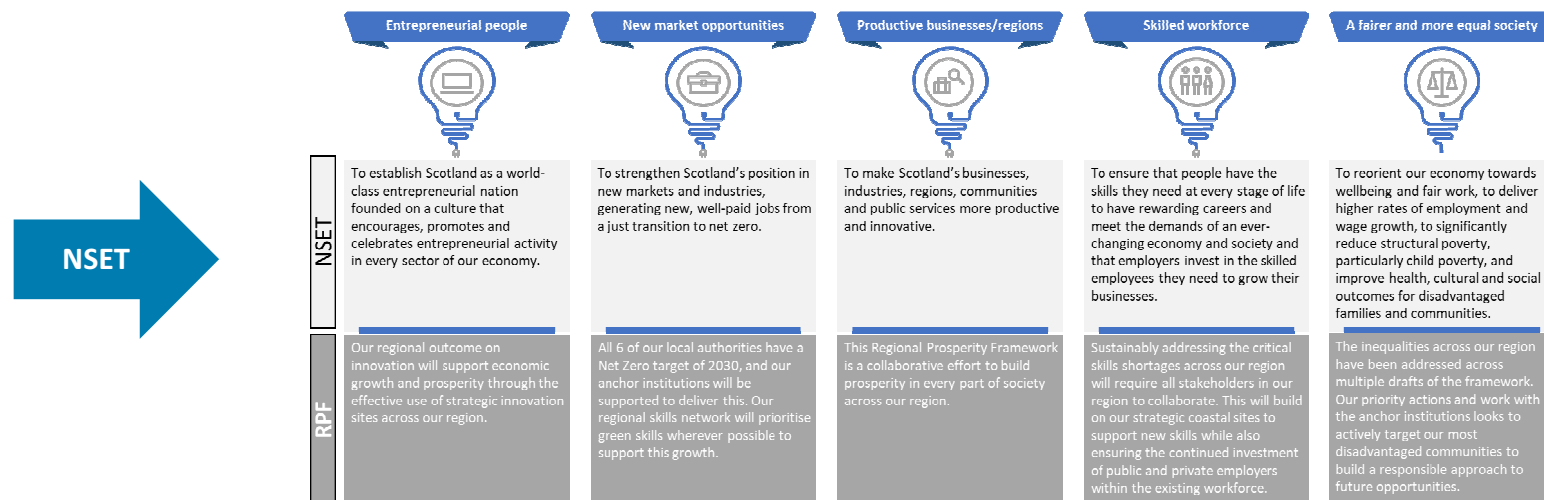
Building on the work to date to ensure an effective built platform from which we can drive our programme for delivery





# Alignment with policy

The publication of NSET and Levelling Up White Paper must be built on to reflect national, regional and local alignment

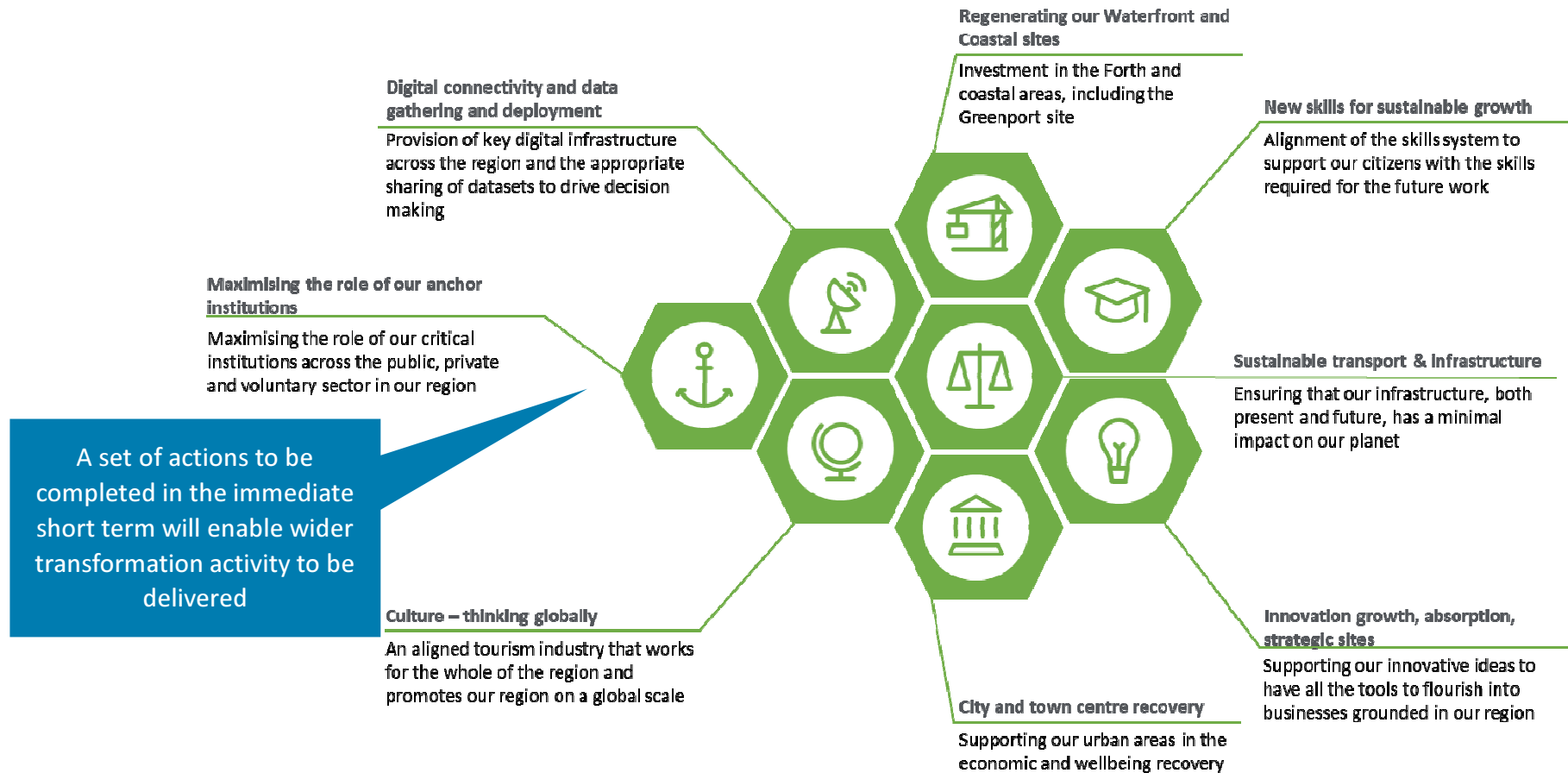


The diagram illustrates the alignment between the Levelling Up White Paper and the Regional Prosperity Framework (RPF) across six key areas. A large blue arrow labeled 'Levelling Up' points towards the right, indicating the direction of the strategy.

RPF alignment	Levelling Up "missions"	RPF alignment
Our regional approach will target driving improvements in the lives of our citizens, with a clear target to reduce inequalities.	Improve well-being, closing the gap between regions	We will support our businesses and enterprises to grow and support employees at every stage of the journey
Active targeting of areas of poverty will help enhance economic opportunities in priority regions. This will be a key target for crime reduction.	Falling crime in the worst affected areas	Our region will aim to have digital coverage for all citizens to support the delivery of key programmes in our communities
Our work on the digital and data connectivity across our region will align with a sustainable transport proposal to drive transport activities.	Local public transport to be brought closer to 'London standard'	Active targeting of poverty and inequalities across our region will have a corresponding impact for health outcomes.
Aligning our skills network to the current and future needs will drive employees across our region to access training they may need.	200,000 more people per year completing high quality skills training	Working with NPF4 and our rethinking place activity will help identify appropriate housing supply for our communities
Increased investment and stronger outcomes for our region, as well as regional alignment in our cultural offer will help our citizens.	Increase pride in place	Our region has established mechanisms and governance to both receive and appropriately manage capital and revenue investment.
The RPF is aligned with the principles and objectives of Scotland's NSET	Devolution opportunities for every part of England	Our skills programme will deliver a major set of activities to align with the current and future demands across our region.

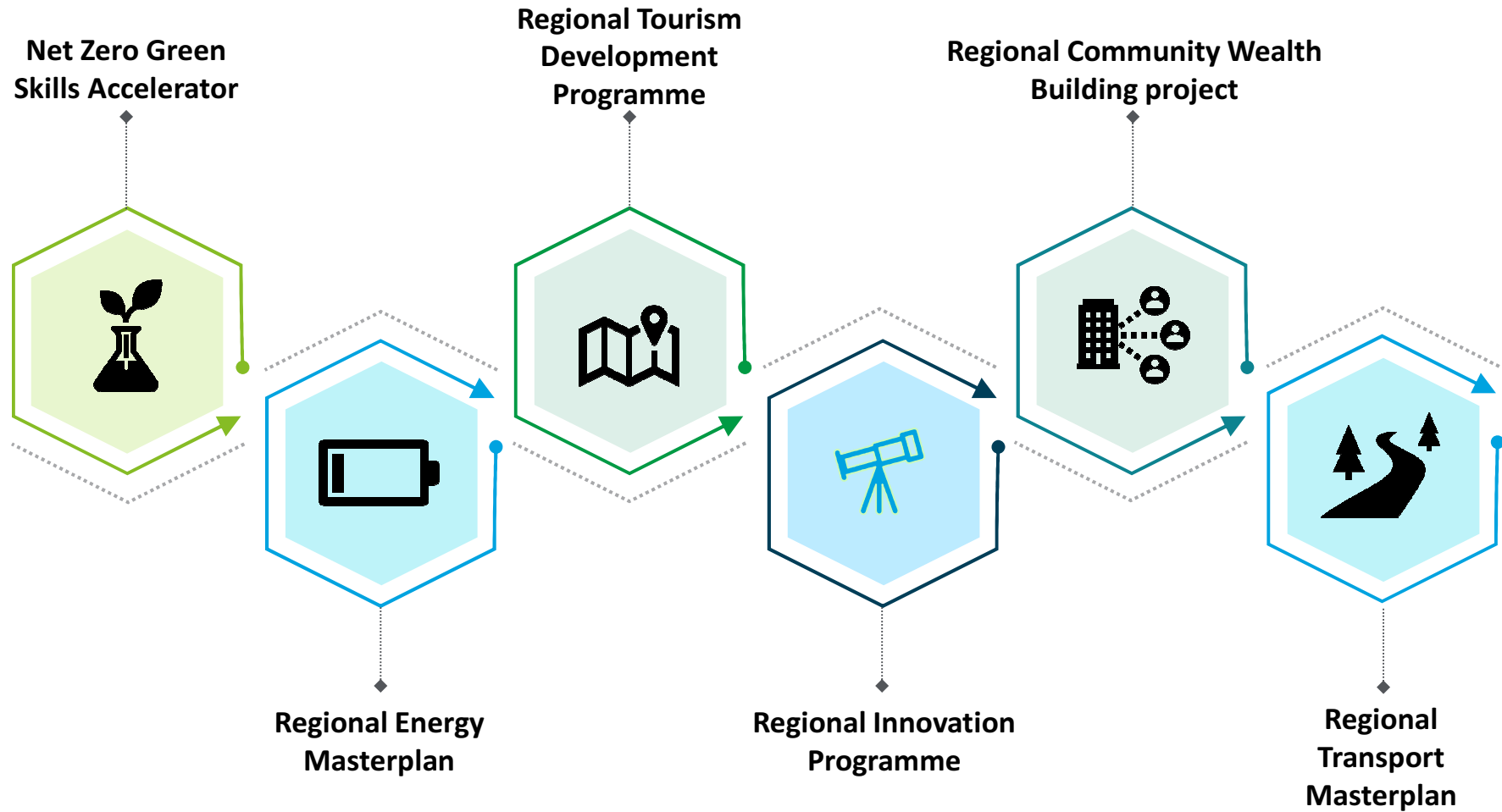
# Priority delivery programmes

The 8 programmes identified to deliver against our critical outcomes



# Short term regional priority activities

Immediate regional actions to prioritise for SPF proposals



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# The vision for a Forth Green Freeport

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June 2022

**FORTH**  
GREEN FREEPORT

Agenda Item 5.1



# An introduction to Green Freeports in Scotland and the policy objectives

## Policy Objectives

- Promote regeneration and high-quality job creation – lead policy objective
- Promote decarbonisation and a just transition to a net zero economy
- Establish hubs for global trade and investment
- Foster an innovative environment

## Timeline





Prospectus Published

Announcement of winning bids





# Scotland's Green Freeport package provides a generous suite of incentives to encourage investment and regeneration

Policy	Offer to Green Freeport sites
<b>Tax incentives at tax sites</b>  Page 1	 <ul style="list-style-type: none"><li>• 100% <b>non-domestic rate relief</b> for 5 years.</li><li>• 100% <b>Enhanced Capital Allowances</b> for the first year of qualifying expenditure.</li><li>• Employers forego <b>NIC contributions</b> on salaries up to £25,000 for new hires in first three years.</li><li>• 10% rate of <b>structures and buildings allowance</b> p.a. for 10 years on renovation or construction.</li><li>• Land purchases on tax sites benefit <b>land and building transaction tax (LBTT) relief</b> (to be defined in Scottish Parliament legislation).</li></ul>
<b>Customs freedoms at customs zones</b>	 <ul style="list-style-type: none"><li>• <b>Duty deferral</b> automatically granted within customs zone until goods leave site.</li><li>• <b>Duty inversion</b> for goods entering customs zone with higher tariff than final product.</li><li>• <b>Customs duty exemption</b> on imported goods processed in the Freeport and re-exported (subject to Free Trade Agreements).</li><li>• The import <b>VAT</b> on goods entering the Freeport is suspended.</li><li>• Authorisation to use <b>simplified import and export procedures</b>.</li></ul>
<b>Investment and spending</b>	 <ul style="list-style-type: none"><li>• £25 million in <b>seed capital</b> to improve land preparation and infrastructure in outer boundary.</li><li>• Freeport local authorities <b>retain 100% of uplift in non-domestic rates revenues for 25 years</b>. Local authorities can <b>borrow against future business rates revenue</b> to invest upfront in infrastructure and skills programmes.</li></ul>
<b>Innovation and regulation</b>	 <ul style="list-style-type: none"><li>• <b>Regulatory sandboxes</b> that will relax specific regulations, e.g. drone flights, automated vehicles.</li><li>• A <b>Green Freeport collaboration hub</b> gives a platform to create regional innovation hubs.</li></ul>
<b>Planning support</b>	 <ul style="list-style-type: none"><li>• Local authorities encouraged to adopt simple planning regimes and <b>Masterplan Consent Areas (MCAs)</b> aligned to National Planning Framework 4 ambitions.</li></ul>

# To achieve Scotland's 2045 net zero target, urgent action is needed to decarbonise the Firth of Forth

Companies in Grangemouth alone emit 33% of Scotland's industrial emissions. Across the Outer Boundary, the Firth of Forth accounts for over 40% of Scotland's industrial emissions.

Falkirk Council has the highest emissions per capita of any Scottish local authority, emitting 8% of Scotland's emissions with only 2.9% of the population.

Scotland cannot achieve net zero by 2045 without a credible plan for reducing the emissions intensity of the Firth of Forth.

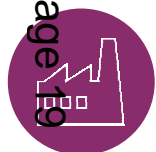
**We believe that the Forth Green Freeport can be the driving force of this plan.**



# The Forth Green Freeport will create a green growth corridor across Central Scotland and beyond

Without an accelerated green pathway for the nation's industrial cluster, skills, people and carbon will drain from the system. Our bid provides underdeveloped land to **sustainably generate green business growth with export potential** through the nation's logistics centre, as Scotland competes with England and northern Europe for international investment.

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The Forth Green Freeport will act as a **catalyst for the re-industrialisation of Scotland**, attracting significant investment into key industrial infrastructure for the future economy, and growing an **innovation ecosystem for SMEs** across the Firth of Forth



A successful bid has the ambition to create **high quality, green jobs** in areas of local deprivation across the UK and support skill development for local communities



It will make a major contribution to Scotland's Net Zero carbon emissions target, support innovation in net zero technologies including **offshore wind, hydrogen, and sustainable aviation fuels**, and build Scotland an export base grounded in green growth

# The proposed sites will develop innovative clusters to secure this just transition

**Leith:** Create the **nation's largest offshore renewable energy hub**. Delivering new manufacturing facilities, port infrastructure upgrades and green incubators to drive SME and start-up business growth.

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**Grangemouth:** Build on strengths as **Scotland's largest port** and principal export hub and regenerate the petrochemical cluster for a net zero transition.

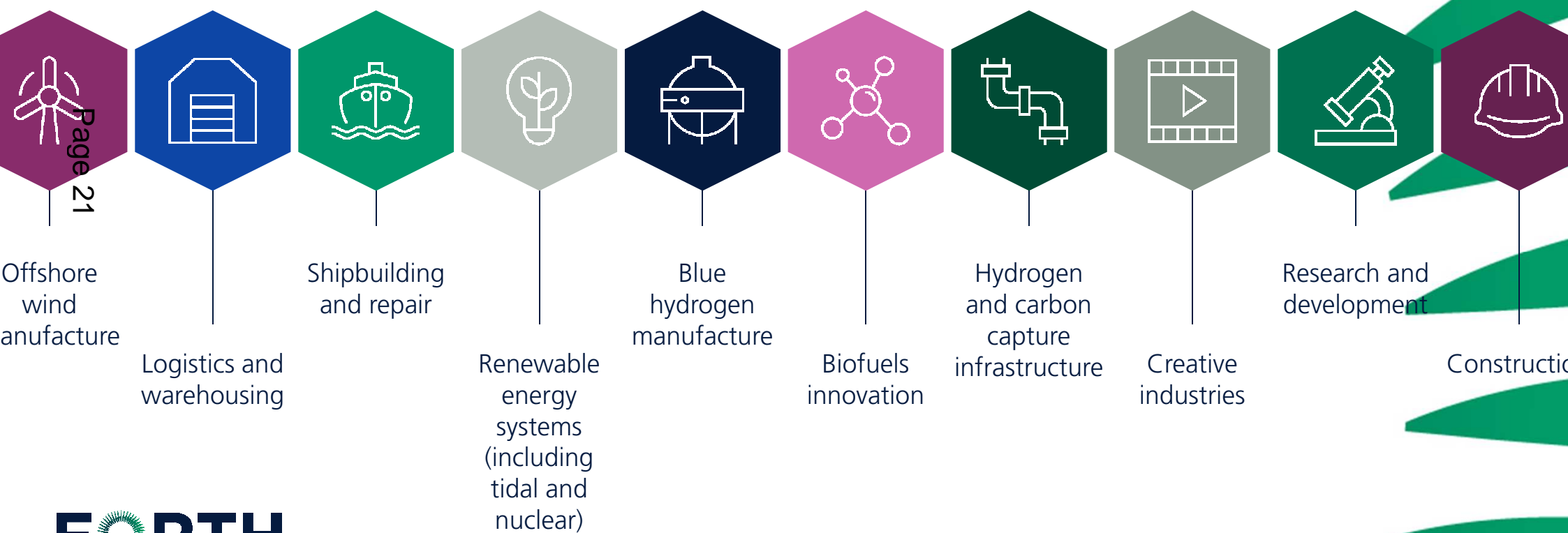


**Rosyth:** Support **innovative manufacturing and shipbuilding**, and strengthen the nation's agribulks hub by expanding and creating new trade routes to continental Europe.





# We expect these sites to deliver supply chain opportunities in diverse sectors key to Scotland's future growth



# The Forth Green Freeport could be the fulcrum of a renewable energy corridor along the UK's East Coast

 Potential UK Freeports and Green Freeports

 Designated England Freeports

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**FORTH**  
GREEN FREEPORT

 **Net Zero**  
Teesside

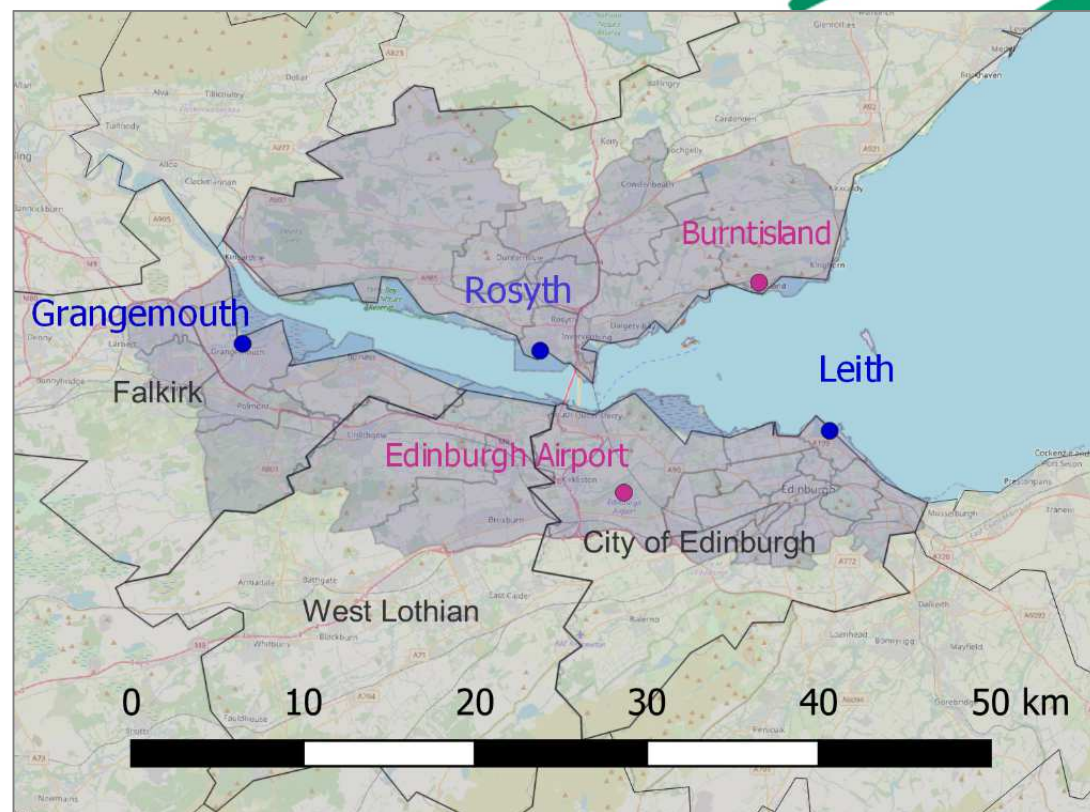
**ZEROCARBON**  
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**FORTH**  
GREEN FREEPORT

# Our planned tax and customs will deliver the economic benefits of the net zero transition across the region

The proposed tax sites at Grangemouth, Rosyth, and Leith will provide the space for strategic cluster development in key sectors needed for a just transition.

This will be supported by the trade benefits of customs sites at Edinburgh Airport and Burntisland, providing opportunities for inclusive growth to the North and South of the Forth Estuary, as well as East and West across the Central Scotland.



# Our bid draws together a cohesive partnership between public and private sector partners across the Firth of Forth

## Core private sector partners



## Public sector partners



## Innovation and skills partners



## Other supportive partners

