

Minutes

Edinburgh and South East Scotland City Region Deal Joint Committee

Microsoft Teams

10.00am, Friday 24 June 2022

Present:

Midlothian Council – Councillor Russell Imrie (in the Chair)

City of Edinburgh Council – Councillor Cammy Day

East Lothian Council – Councillor Norman Hampshire

Fife Council – Councillor Altany Craik (substituting for Councillor David Ross)

Scottish Borders Council – Councillor Euan Jardine

West Lothian Council – Councillor Lawrence Fitzpatrick

Regional Enterprise Council – Garry Clark and Claire Pattullo

In attendance:

Dr Grace Vickers, Chief Executive, Midlothian Council

Monica Patterson, Chief Executive, East Lothian Council

Steve Grimmond, Chief Executive, Fife Council

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

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

David Baxter, City Region Deal PMO, City of Edinburgh Council

David Hanna, City Region Deal PMO, City of Edinburgh Council

Lisa Howden, Accountant, City of Edinburgh Council

Jamie Macrae, Committee Services, City of Edinburgh Council

Kevin Anderson, Executive Director, Place, Midlothian Council

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

Catherine Molloy, Project Manager, East Lothian Council

Adam Dunkerley, Integrated Regional Employability & Skills and Skills Development
Scotland

Fiona Brown, Interim Director of Transport Strategy and Analysis, Transport Scotland
Andy Anderson, Project Manager, Transport Scotland
Stuart Wallace, Chief Operating Officer, Forth Ports

Apologies

Councillor David Ross

1. Appointments

Decision

- 1) To appoint Councillor Russell Imrie as Convener.
- 2) To appoint Councillor Euan Jardine as Vice-Convener.
- 3) To appoint Councillor Russell Imrie as Chair of the Elected Member Oversight Sub-Committee.
- 4) To record the committee's thanks to Councillor Adam McVey and Councillor David Alexander for their work on the committee.

2. Minutes

Decision

To approve the minute of the Edinburgh and South East Scotland City Region Deal Joint Committee of 4 March 2022 as a correct record.

3. 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.)

4. A720 Sheriffhall Update

The Joint Committee has asked that Transport Scotland (TS) provide a background summary report and progress update for the A720 Sheriffhall Roundabout project, which was being delivered as part of the Edinburgh and South East Scotland (ESES) City Region Deal, to inform the members of the Joint Committee of the progress and current status of the project.

The ESES City Region Deal agreed that the Scottish Government was committed to investing £140m on strategic transport improvements as part of the City Region deal. This specifically included up to £120m to support improvements to the A720 City Bypass for the grade separation of Sheriffhall Roundabout.

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

Decision

To note progress of the proposed Scheme as detailed in the background summary report and progress update.

(Reference – report by the Director of Transport Strategy and Analysis, Transport Scotland, submitted.)

5. Edinburgh Innovation Hub (East Lothian Council / Queen Margaret University) VAT Reinvestment

The Joint Venture Structure (concluded in April 2022) between East Lothian Council and Queen Margaret University secured financial and commercial advantages for the delivery of the Edinburgh Innovation Hub. One of the key advantages was that the Joint Venture Structure enabled the Joint Venture to exercise an Option to Tax on the construction and the development element of the Hub project. This enabled the Joint Venture to reclaim the Value Added Tax in accordance with HMRC regulations, estimated at Full Business Case in 2021 as £6.002m.

The Joint Venture sought approval from the Edinburgh and South East Scotland City Region Deal Joint Committee to reinvest the reclaimable VAT into the development and construction elements of the Hub project.

Decision

- 1) To note that the Joint Venture Structure (“JV”) between East Lothian Council (ELC) and Queen Margaret University (QMU) enabled the JV to exercise an Option to Tax on the construction and the development element of the Edinburgh Innovation Hub (“Hub”) project which enabled the JV to reclaim the Value Added Tax (“VAT”) in accordance with HMRC regulations.
- 2) To note that the JV was currently exercising the Option to Tax in accordance with the HMRC regulations which would offer the ability for the JV to reclaim the VAT monies on the Hub project costs.
- 3) To note the proposed schedule of investment and returns which included enhancing the Hub project outcomes through targeted additionality in the

design and specification to enhance the value proposition that improved the experience for the end user.

- 4) To approve the reinvestment of the reclaimed VAT monies into the Hub Project costs, previously identified as £6.002 million in 2021.

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

6. 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 'Green' 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.)

7. Green/Freeport bid for Edinburgh and South East Scotland

The bid for the Forth Green Port was presented to the Joint Committee. It drew together a cohesive partnership between public and private sector partners across the Firth of Forth: including the relevant local authorities, higher/further education institutions and the private sector.

The bid was based on the principle that to achieve Scotland's 2045 net zero target, urgent action and a credible plan was needed to decarbonise the Firth of Forth. The bid stated that the Forth Green Freeport would create a green growth corridor across Central Scotland and beyond. Under-developed land would be provided, which would sustainably generate green business growth with export potential through the nation's logistics centre.

The bid was submitted at the deadline of 20 June 2022. Details of the bid were presented to the City Region Deal's Elected Member Oversight Committee on 10 June and the Regional Enterprise Council (which represented business, social enterprise and the wider third sectors across the region) on 17 June. Both groups endorsed the bid, and a signed letter of support from the Regional Enterprise Council was included as part of the submission on 20 June.

Decision

- 1) To formally homologate the bid, which was submitted to Government on 20 June 2022.
- 2) To note that the bid was endorsed by the City Region Deal's Elected Member Oversight Committee at its meeting on 10 June and that a formal letter of support from the City Region Deal's Regional Enterprise Council (which represents business, social enterprise and the wider third sectors across the region) was included as part of the submission on 20 June.

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