

Policy and Sustainability Committee

10.00am, Tuesday, 1 December 2020

Edinburgh Economy Strategy

Executive/routine Wards Council Commitments	Executive All Delivering an economy for all – local jobs, growth and affordable housing
--	---

1. Recommendations

- 1.1 It is recommended that the Policy and Sustainability Committee:
- 1.1.1 note progress against Edinburgh Economy Strategy priority actions and Good Growth Monitoring Framework indicators during 2019/20;
 - 1.1.2 note actions undertaken and planned as a part of the Sustainable Economic Recovery workstream of the Council Adaptation and Renewal Programme;
 - 1.1.3 approve the new Edinburgh Development Concordat, which sets out ways in which Council services, the development and business communities and representative community organisations can best work together to achieve the development of ‘good places’ in support the city’s sustainable economic recovery;
 - 1.1.4 approve the proposed approach and timescales for the Edinburgh Economy Strategy, with a draft planned for publication in March 2021; and
 - 1.1.5 approve the proposed approaches for engagement with elected members, businesses, communities, and partner agencies in development of the renewed strategy.

Paul Lawrence

Executive Director of Place

Contact: Chris Adams, Strategy Manager

E-mail: chris.adams@edinburgh.gov.uk | Tel: 0131 529 6258



Edinburgh Economy Strategy

2. Executive Summary

- 2.1 This report provides a summary of progress made during 2019/20 in delivery of priority actions taken forward through the Edinburgh Economy Strategy, and on actions delivered since May 2020 to support a sustainable economic recovery throughout the COVID-19 crisis.
- 2.2 The report also outlines proposed next steps which include work to refresh and renew the Edinburgh Economy Strategy in response to emerging challenges and to ensure continued alignment with core Council priorities to tackle poverty, promote sustainability and wellbeing.

3. Background

- 3.1 In [June 2018](#) the City of Edinburgh Council approved the Edinburgh Economy Strategy and a programme of work to enable good growth for Edinburgh's economy. The strategy set out a focus on work to promote inclusion and innovation in Edinburgh's economy, and an approach to delivery built around collaboration between anchor institutions in the city.
- 3.2 As a part of the strategy programme, the Council committed to publishing an annual review of progress towards delivery of the strategy. The second of these annual progress reports was originally scheduled for discussion in June 2020 however this was rescheduled to December 2020 as a result of COVID-19.
- 3.3 On [28 May 2020](#) the Policy and Sustainability Committee approved the establishment of a new Adaptation and Renewal Programme to guide decision making throughout the Council's response to the COVID-19 outbreak and related impacts. Within this programme, a Sustainable Economic Recovery working group was established. Updates on progress on this work have been provided to Committee since May 2020.

- 3.4 Following the [2019 annual progress report](#) officers were asked to identify ways in which wellbeing measures can be incorporated into the strategy, to strengthen the economic aims of this Council, and to make recommendations to the relevant executive committees. An initial report on actions against this motion was considered by the Housing Homelessness and Fair Work Committee in [November 2020](#).

4. Main report

Edinburgh Economy Strategy – Progress to date

- 4.1 In June 2018 City of Edinburgh Council approved the Edinburgh Economy Strategy and a five-year programme of work to enable good growth for Edinburgh's economy. As a part of the strategy programme, the Council committed to publishing an annual review of progress towards delivery of the strategy. The first such progress report was published in June 2019 and set out recommended priorities for action by the Council during 2019/20.
- 4.2 Appendix 1 provides an overview of progress against these priorities, but in summary it can be noted that in the period to end June 2020 progress was made against all seven priority areas agreed for the year including:
- 4.2.1 Support for 2,700 people through Council funded or operated employability programmes, and delivery of 307 workshops run by Business Gateway Edinburgh for new and existing businesses with a total of 3,594 attendees over the last 18 months;
 - 4.2.2 Significant progress across the 24 projects and programmes within the City Region Deal;
 - 4.2.3 Acceleration in delivery of new affordable homes with a record 1,930 affordable homes approved for site start in 2019/20 and £300m of public and private sector funding invested in Edinburgh;
 - 4.2.4 The launch of a new Economic Advisory Panel to support business engagement in the delivery of the Edinburgh Economy Strategy;
 - 4.2.5 Publication of interim findings of the Edinburgh Poverty Commission in June 2020, followed by final reporting published in September, with Council responses to these findings planned for publication in December 2020;
 - 4.2.6 Approval in January 2020 of a new 2030 tourism strategy for the city aimed at ensuring the future success of Edinburgh's tourism industry, and a subsequent Tourism and Hospitality Sector Recovery Plan approved in June 2020;
 - 4.2.7 Significant progress in public consultation towards the development of a new City Plan 2030 and the City Mobility Plan, with clear and important alignment to Economy Strategy priorities, and

4.2.8 Launch of a new Edinburgh Climate Commission and significant progress towards public engagement in development of a new long-term strategy to inform the Council's approach to achieving net zero carbon emissions by 2030.

4.3 Appendix 2 provides an assessment of progress against key city level economic progress indicators included in the Good Growth Monitoring Framework developed for use with the Edinburgh Economy Strategy. The framework shows that:

4.3.1 Prior to the onset of the COVID-19 pandemic, many fundamental features of Edinburgh's economy remained strong. Productivity, new business births, earnings and school attainment data all showed positive and improving trends in the period up to end of March 2020.

4.3.2 For datasets which are available and record progress for the period following March 2020, a more challenging and changing context is apparent. Indicators relating to jobs growth, labour market participation, benefits dependency, and worklessness all showed significant deterioration over the period for which data is available.

Sustainable Economic Recovery

4.4 The Sustainable Economic Recovery working group was established under the Adaptation and Renewal Programme to ensure Edinburgh's economy is as resilient as possible during the COVID-19 crisis and that it adapts, so that people, businesses and communities can thrive in the future.

4.5 Throughout the period since the establishment of the programme, key work to support economic resilience and recovery have included:

4.5.1 Administration and delivery of over £110m of Government funded crisis support and grant schemes for businesses and self-employed citizens in Edinburgh;

4.5.2 Over 50,000 direct communications with businesses ranging from COVID-19 business advice and Licensing and Regulations advice through the Ready Set Go project set up to support local businesses;

4.5.3 Design and delivery of a successor to the Edinburgh Guarantee to support people back into jobs and positive destinations;

4.5.4 Accelerating the building of affordable homes across the city, and sustainable regeneration. Towards this:

4.5.4.1 Teams have been working with contractors across both the housing and operational capital investment contracts to support a safe return to site. Consideration has also been given to supporting appropriate claims for additional contract costs and offering supplier relief in line with Scottish Government guidance;

- 4.5.4.2 Contract award and procurement processes have continued to progress including the renewal of the Council's Professional Services Framework, appointing over 50 consultants to progress key design work for the Council's capital programme in the coming years;
- 4.5.4.3 For Granton Waterfront an Outline Business Case for upfront investment in infrastructure needed to unlock development and the creation of a new vibrant coastal town for Edinburgh and the region is underway and expected to complete autumn 2021. The investment is expected to generate up to 10,640 direct construction jobs, 6,000 indirect jobs and 220+ apprenticeships. A programme of early action projects will bring forward around 600 net zero homes for sale and rent in advance of the wider programme, with works expected on-site from 2022. Ongoing investment in creative enterprise space, active travel and leisure opportunity will ensure health, wellbeing and community wealth building remains at the heart of all proposals;
- 4.5.4.4 Mixed use Programme: progress has been made at Fountainbridge, Meadowbank and Powderhall. There are works on site in each case, with enabling working at Powderhall and Fountainbridge, and the sport stadium well advanced at Meadowbank. Further planning approvals have also been received for the Stables Block at Powderhall and the revised masterplan at Meadowbank. Procurement of a development partner is well advanced at Fountainbridge and underway at Meadowbank. At Powderhall, existing frameworks are being used to advance elements of the project in advance of engaging a private developer(s);
- 4.5.4.5 Edinburgh BioQuarter: The partnership has continued to move forward with the project to develop a Health and Life Science Innovation District. The project has the ability to make a significant contribution to advancing healthcare and will generate significant employment for the region. A prior information notice for the appointment of a development partner was published in June 2020 and a bidders' day was held (virtually) in September. It was well attended by prospective private sector partners with strong interest from the UK and Europe. The development of the Outline Business Case is in its final stages and it is to be reported to this Committee in February 2021 for approval prior to the formal procurement stages starting; and

- 4.5.4.6 Looking to the future, officers have also started work on the preparation of a Strategic Development and Investment Programme. This work is not being taken forward from a standing start but instead seeks to bring together existing workstreams and programmes to coordinate activity, identify priority areas for investment and to capitalise on synergies that may be identified.
- 4.5.5 Working with the organisations that make Edinburgh a global cultural capital to re-think their programmes and ways of working to adapt to a changed operating environment. Towards this, measures have included:
 - 4.5.5.1 The re-purposing of funds such as Strategic Partners cultural grant, and the new arts and health project fund towards crisis impact mitigation and resilience planning; and
 - 4.5.5.2 Progress and awarding of Diversity and Inclusion Funds to ensure that allocated project resources would still go out to the sector's artists and practitioners to facilitate on-going creative development (with all projects being deliverable in the COVID-19 environment).

Edinburgh Development Concordat

- 4.6 Alongside these actions, work has also been underway during recent months to prepare a new Edinburgh Development Concordat.
- 4.7 The original Edinburgh Planning Concordat was established following the economic downturn in 2008. The Concordat is a tripartite collaborative approach setting out how developers, community councils and the planning authority can work together early at the pre-application stage to achieve good placemaking when a Major or complex Local development is proposed. The Concordat was last revised in 2019 as a streamlined version of earlier concordats and was updated in parallel with the launch of the Council's reformed pre-application advice service.
- 4.8 The members of the Edinburgh Development Forum agreed at their meeting on 30 June 2020, that a more strategic and coordinated response is needed to address economic recovery from the current (COVID-19) pandemic and its likely impacts on the development industry including the way in which our economic landscape will change. While Forum members acknowledged the benefits of the current Edinburgh Planning Concordat, there was support for an Edinburgh 'Development' Concordat promoting a Council-wide corporate approach in recognition of the higher level strategic outcomes and direction drawn from the overriding values and principles of the 2050 City Vision; the specific strategic outcomes from the City Plan and City Mobility Plan including Edinburgh City Centre Transformation and the Council's Economic Recovery Strategy. The key drivers of the new Concordat are based on behavioural qualities such as 'Understanding', 'Collaboration' and 'Alignment' in achieving the outcome of good 'Placemaking'.
- 4.9 From these discussions, a proposed new Edinburgh Development Concordat has been prepared and is provided in Appendix 3.

Edinburgh Economy Strategy

- 4.10 In line with the development of the Council Adaptation and Renewal Programme, it is proposed that work is undertaken over the coming months on the Edinburgh Economy Strategy. This work is in line with the original framing of the Strategy which recognised that such renewal would be necessary over time to ensure that Council priorities and ways of working remained relevant and appropriate and responded to the city's changing economic context.
- 4.11 The context within which economic development activity in the city is carried out has altered significantly during 2020, with further challenges expected throughout the coming years through the combined impacts of COVID-19, economic recession, ongoing uncertainty and changes in trading practices and conditions arising from Brexit, and long term challenges associated with managing transition towards a new, net zero carbon economy.
- 4.12 With regard to current economic conditions, recent analysis by Scottish Government economists notes that:
- 4.12.1 Despite some recovery in recent months, economic output in Scotland remains 10.7% lower than pre-pandemic levels;
 - 4.12.2 Global economic uncertainty remains high, and risks to the outlook are very much skewed to the downside;
 - 4.12.3 Trading conditions remain extremely challenging with many sectors operating at reduced levels of capacity and facing ongoing cashflow challenges;
 - 4.12.4 Labour market conditions show signs of deterioration, with many businesses reporting reductions in staffing levels and downward pressure on wages to adapt to lower levels of demand;
 - 4.12.5 The path for the economy remains fragile, particularly as continued restrictions on business and household activity are required or reintroduced to combat COVID-19; and
 - 4.12.6 Recovery in the medium term is still expected to be gradual with economic activity not expected to return to pre-crisis levels before the end of 2023.
- 4.13 Within Edinburgh, new data available has started to illustrate the early impacts of the COVID-19 lockdowns and related economic recession in the city, showing that:
- 4.13.1 The number of jobs in Edinburgh in June 2020 showed a year on year drop for the first time in over 10 years, falling by 1.7% against a pattern of no net change across Scotland as a whole;
 - 4.13.2 This drop was driven by significant decline in employment in key sectors such as hospitality falling by more than 10% year on year, compared against a 4% drop across Scotland;
 - 4.13.3 The number of unemployed benefits claimants in Edinburgh has risen almost threefold in the period from September 2019 to September 2020, from 6,400 to 18,700 claimants; and

- 4.13.4 Claimant count rates in the city have risen from 1.7% to 5.3% of all working age adults over the same period.
- 4.14 In response to these findings, it is proposed that a process for renewal of the Edinburgh Economy Strategy is undertaken to ensure that Council actions to support the economy:
- 4.14.1 Are fit for purpose in light of new and challenging circumstances;
 - 4.14.2 Remain strongly aligned to the Council's core priorities of tackling poverty, promoting sustainability, and wellbeing;
 - 4.14.3 Support Council's stated goal to ensure Edinburgh is a net zero carbon city by 2030;
 - 4.14.4 Support Council responses to deliver actions set out by the Edinburgh Poverty Commission to end poverty in Edinburgh by 2030;
 - 4.14.5 Support and refresh the core goals of the existing Edinburgh Economy Strategy to enable good growth in Edinburgh through actions to promote inclusion, innovation; and
 - 4.14.6 Are carried out in strong collaboration and partnership with communities and stakeholders across the city, including employers, investors, workers, and partner agencies.

5. Next Steps

- 5.1 In order to progress the update of the Edinburgh Economy Strategy, it is proposed that a report on the findings from engagement with recommendations for any new aspects to be included in the Edinburgh Economy Strategy is prepared for discussion by the Council's Housing, Homelessness and Fair Work Committee. A similar report will be shared with the Edinburgh Partnership in March 2020.
- 5.2 Policy and Sustainability Committee would then be asked for final approval to any changes to the Edinburgh Economy Strategy and its implementation plans in June 2020.
- 5.3 This timescale allows officers time to prepare and carry out engagement and gather evidence of activity needed to renew priorities and develop new actions for Council delivery. The timescale also balances a need for approval of high priority short term actions, alongside scrutiny by appropriate Committees.
- 5.4 Engagement activity planned for the strategy renewal process includes:
- 5.4.1 Elected member oversight and support through the Adaptation and Renewal All Party Oversight Group with all party membership extended as appropriate for sessions on the economy strategy;

- 5.4.2 Discussion and engagement with partners, business leaders, and community groups will be carried out online and through existing channels including the Economic Advisory Panel, Edinburgh Development Forum, and the Edinburgh Tourism Action Group; and
- 5.4.3 Wider partner engagement, evidence gathering, and policy development carried out through a series of challenge sessions designed and delivered in partnership with Edinburgh Futures Institute.
- 5.5 Work to consider the Strategy will be led by the Executive Director of Place and ensure close alignment with the Sustainable Economic Recovery workstream of the Council Adaptation and Renewal Programme. Project management will be provided by Strategy and Communications officers, with the support of cross council service leads.
- 5.6 Key issues to be addressed through this engagement process will include assessing the next steps needed to ensure that Edinburgh's economic renewal:
 - 5.6.1 Offers fair work that provides enough for people to live on;
 - 5.6.2 Builds on best practice in relation to economic wellbeing and Community Wealth Building, so that economic opportunities benefit everyone in the city;
 - 5.6.3 Delivers on the city's green economy potential to build a thriving, prosperous, zero net carbon city;
 - 5.6.4 Provides opportunities to progress and employability support that responds to ongoing structural changes in the labour market;
 - 5.6.5 Is supported by an entrepreneurship ecosystem fit for purpose to encourage new business growth and start-up through recovery, and
 - 5.6.6 Is driven by the city's digital economy assets and opportunities.

6. Financial impact

- 6.1 Actions in this report can be taken forward within existing agreed budgets. Any additional impacts arising will be considered as part of future reports to Policy and Sustainability Committee.

7. Stakeholder/Community Impact

- 7.1 Details of stakeholder and community engagement in delivery of a renewed economy strategy are outlined in the main report section and will be considered as part of future reports to Policy and Sustainability Committee.

8. Background reading/external references

- 8.1 None.

9. Appendices

- 9.1 Appendix 1: Summary of progress against 2019/20 priorities
- 9.2 Appendix 2: Good Growth Monitoring Framework 2020 update'
- 9.3 Appendix 3: Edinburgh Development Concordat

Appendix 1: Summary of Progress against 2019/20 priorities

Priorities 2019/20	Progress
<p>Launch of a new Economic Advisory Panel to support business engagement in the delivery of the Edinburgh Economy Strategy;</p>	<p>In June 2019, the Housing and Economy Committee approved the Edinburgh Economy Strategy annual report and the launch of a new Economic Advisory Panel.</p> <p>A report approving membership and remit of the new panel was approved by the Housing, Homelessness and Fair Work Committee in August 2019. The panel has met 3 times during 2020 to date, with discussion on wide ranging issues covering fair work, low carbon economy, impacts of Covid-19 on business and key sectors, and planning of activities for development through the Sustainable Economic Recovery workstream of the Council Adaptation and Renewal Programme.</p>
<p>Responding to and acting on the recommendations published in 2019 by the Edinburgh Poverty Commission;</p>	<p>Interim findings of the Edinburgh Poverty Commission was reported to the Policy and sustainability committee in June 2020. This was a short report providing initial findings on the impact of the COVID-19 outbreak on poverty in Edinburgh, and reflections on responses needed to mitigate that impact. The final Edinburgh Poverty Commission report that set out the long-term actions needed to end poverty in Edinburgh was reported in October 2020, with Council responses to these findings planned for publication in December 2020</p>
<p>Delivering a programme of employability and skills support for 5,000 Edinburgh citizens and families;</p>	<p>The number of people that have participated in Council funded or operated employability activities over 2019/20 was 2,675. Participants accessed a range of employability programmes, from the Scottish Government's No One Left Behind funded Activity Agreement Hubs, Next Step employability service to All in Edinburgh supported employment and Encompass complex needs employability provision.</p> <p>Changes have been made to the delivery of Edinburgh's employability programme services in 2020/21 in light of the disruption caused by the Covid-19 pandemic. As reported to Committee in November 2020 options for future development of the programmes have been made which include creating more internship opportunities and developing direct progression routes into Modern Apprenticeships.</p> <p>Business Gateway Edinburgh have run a total of 307 start up and existing business workshops with 3,594 attendees over the last 18 months. Due to Covid-19 restrictions we pivoted to delivering this programme remotely in April 2020 and since then 102 of these workshops were delivered digitally as webinars to 1,198 attendees.</p>
<p>Continuing implementation of the Edinburgh and South East Scotland City Region Deal;</p>	<p>As reported to committee in 4 Sept 2020 there has been significant progress across the 24 projects and programmes within the City Region Deal.</p> <ul style="list-style-type: none"> • 15 projects are considered to be on target to be completed within the specified budget (green score) or have been completed within the specified budget (16 in August 2019). • £54.7 million of Government money was drawn down in the 2019/20, with £53.61 million on Capital projects and £1.06 million on the Revenue programme.
<p>Delivering a new strategy for a sustainable tourism sector in Edinburgh;</p>	<p>On 21 January 2020, the Council endorsed a new tourism strategy for the city. The strategy was a fundamental shift in policy from generating growth to managing the continued success of our tourism industry for our people, environment and sense of place. The outbreak of COVID 19 has meant that the action planning process on the back of the Tourism Strategy publication was paused as the sector responds to the impact of the pandemic.</p> <p>On 11 June 2020 a report on the Tourism and Hospitality Sector Recovery Plan was considered and Committee subsequently approved a new recommendation on how the council will support the recovery of tourism and hospitality in Edinburgh. At the national level, a tourism strategy was also published in early 2020, but recovery plans have dominated. A Scottish Tourism recovery taskforce was established to focus on: recovery, investment and stimulating demand.</p>

<p>Transforming our city with new visions and new plans for the city centre, transportation, planning and development;</p>	<p>A large public consultation took place between January and April 2020 as part of the Choices for City Plan 2030 and the Draft City Mobility Plan City. Over 1,400 responses were received for Choices and over 1,800 for City Mobility Plan. This was a more than previous consultations on these types of plan. The Choices for City Plan 2030 sets out our proposed options for changes to policies in our next local development plan. The key messages from the engagement activity and next steps for the City Mobility plan were discussed in a report to committee on the 1 October 2020. Both plans are expected to be reported in 2021.</p> <p>Within the period 2019/20 1,930 affordable homes were approved for site and £300 million of public and private sector funding was investment in Edinburgh.</p>
<p>Continuing with the development of key strategic sites across the city;</p>	<p>Many of the key strategic sites across the city passed significant project milestones:</p> <p>The Edinburgh BioQuarter will be a new urban neighbourhood with a mix of commercial space, homes for 20,000 people, and retail and leisure space. A prior information notice for the appointment of a development partner was published by the project team in June 2020. A ‘Bidders day’ was held in September 2020 and the project remains on track for the full procurement process to commence in Q1 2021.</p> <p>Fountainbridge will see a further 436 homes; 4,200 sqm retail space; and 10,827 sqm office space added to the city. Officers have continued to move forward with the procurement of a partner to advance the sites development strategy with selection expected in late 2020. Engagement with the local community representatives has been maintained and the enabling works on the site are underway so that the site is ready to develop.</p> <p>The Granton Waterfront Development Framework was approved in February 2020. The Outline Business Case for upfront investment in the infrastructure needed to unlock the development is expected to be completed in spring 2021, with the bulk of work on-site commencing from 2022 onwards. Planning permission for the refurbishment of Granton Station was granted in October 2020 and work is scheduled to commence on site in Q1 2021. A PAN for the development of circa 450 flats at Western Villages was submitted by the Council in March 2020 with a full application to follow.</p> <p>The Powderhall mixed use development continues to progress with the planning application for the refurbishment of the former stable block recommended for approval, with a determination date of 11th November 2020. Funded by the Scottish Government’s Regeneration Capital Grant Fund and the Council’s City Strategic Investment Fund, the Powderhall Stables project will restore a category B-listed 1890s former stable block at 165 Broughton Road, bringing it back into use as modern work and events space. This will be the first phase of development on the site followed by the new early years building. Progress continues in parallel to develop a masterplan and appoint a contractor/developer to deliver around 200 new mixed tenure homes on the remainder of the site.</p>
<p>Delivering investment in new infrastructure for culture and sport; and</p>	<p>A masterplan for the Meadowbank site surrounding the sports centre was approved in October 2020. The masterplan proposes 596 homes of which at least 35% will be affordable along with space for a GP surgery and other commercial and community units. The proposal includes an integrated transport strategy that seeks to minimise car use and promote sustainable forms of travel along with an integrated greening strategy that delivers communal and private greenspace to encourage biodiversity and maximises tree retention. Construction of the new Sports Centre is ongoing and is set to complete in mid-2021.</p>
<p>Launching a new long-term vision for a sustainable Edinburgh.</p>	<p>In May 2019, the Council set an ambitious target for the city to become net-zero by 2030. As part of the sustainability programme, which was subsequently developed, the Policy and Sustainability Committee agreed a ‘Short Window Improvement Plan’ (SWIP) in October 2019. The plan looked across the work of the Council and identified a set of actions which the Council could initiate within a short timeframe, in order to immediately improve the organisation’s approach to sustainability.</p>

	<p>As such, the SWIP represents additional action on sustainability which complements the mainstreaming of the carbon target into major programmes already underway and in development across the organisation. These wider programmes were described in the sustainability programme update provided to committee on 23 July and include – decarbonising transport; city development; sustainable urban regeneration; housing; citizen engagement; and innovation through participation in the Climate KIC Healthy Clean Cities Deep Demonstrator programme.</p> <p>This wider activity will help inform the Council contribution to a city-wide 2030 sustainability strategy which is currently being developed with partners. The strategy will draw on the Council’s programme of sustainability-focused engagement with citizens and partners, including a Youth Summit held in February 2020, the launch of Edinburgh Talks Climate (an online citizen dialogue which will continue into autumn 2021), and a civil society online engagement event held in late summer 2020. Further engagement is planned over the coming months and as part of formal consultation on the sustainability strategy.</p> <p>Public consultation on a draft strategy is planned to take place in spring/summer 2021 ahead of the final strategy being formally launched in autumn 2021 to coincide with Cop26 being hosted in Scotland. An update on the strategy’s development, including outline strategic priorities, will be brought to Committee in December 2020.</p> <p>The strategy will guide Council and city partner action on climate change in pursuit of the net-zero by 2030 ambition. A proposed approach to tracking progress on the 2030 target, including baseline scope and reductions trajectories to 2030, will be brought to Committee in December, ahead of the first progress report on the new target due in March 2021.</p>
--	---

Appendix 2: Good Growth Monitoring Framework 2020 update

Notes: Latest data updated in October 2020 with following exceptions:

Financial wellbeing – resident financial position indicators not updated due to Edinburgh People Survey being discontinued.

Unemployment rate – indicators on unemployment not updated due to observed discrepancy in reported trend.

Child Poverty – ward level breakdown was not available.

Job Security – resident job prospect indicators not updated due to Edinburgh People Survey being discontinued.

	<i>Indicator</i>	<i>Latest data</i>	<i>Scotland comparison</i>	<i>UK comparison</i>	<i>Change on last period</i>
Productivity growth	GVA per capita	£47,631.00	Positive	Positive	Improving
	GVA per hour worked (index, 2016=100)	102.76	n/a	n/a	Improving
Jobs growth	% change in Employees in employment per annum	-2%	Negative	Negative	Deteriorating
Earnings growth	Median gross weekly earnings	£622.80	Positive	Positive	Improving
New business births	New business births per 10,000 residents	54.4	Positive	Negative	Improving
Social Enterprise growth	Number of social enterprises per 10k population	n/a	n/a	n/a	n/a
Child poverty	% of children living in a low-income household	19%	Positive	Positive	Improving
	Gap - highest to lowest ward (percentage points)	n/a	n/a	n/a	n/a
Benefits dependency	Claimant count rate	5.1%	Positive	Positive	Deteriorating
Financial wellbeing	% of residents who say their financial position has improved in the past 12 months	20%	n/a	n/a	n/a
	Gap - highest to lowest ward (percentage points)	10	n/a	n/a	n/a
Workers earning below living wage	% of workers who earn below the LWF hourly rate	18%	Positive	Positive	Improving
Unemployment rate	Unemployed residents as a % of economically active population aged 16-64	n/a	n/a	n/a	n/a
	Unemployment gender gap - pc points (male - female)	n/a	n/a	n/a	n/a
Employment rate	Employed residents as a % of all residents aged 16-64	75%	Positive	Negative	Deteriorating
	Employment rate - gender gap	11	Negative	Positive	No change
	Ethnic minority employment rate	60%	Positive	Negative	Improving
Labour market participation	Economically active residents as a % of all residents aged 16-64	77.5%	Positive	Negative	Deteriorating
	Participation rate - gender gap	7	Positive	Positive	Improving
Worklessness	% of households with no adult in employment	15.0%	Positive	Negative	Deteriorating
Job security	% of residents who feel confident about their job prospects	63%	n/a	n/a	n/a
	Gap - highest to lowest ward (percentage points)	20	n/a	n/a	n/a
Employment in high skilled occupations	% of workers in managerial, professional and technical/scientific occupations SOC 1-3	56%	Positive	Positive	Deteriorating
Job market polarisation	Ratio of workers in high skilled occupations to workers in mid skilled occupations	2.50	Negative	Negative	Improving
School attainment	% of all leavers achieving 5 or more awards at SCQF Level 6 or higher	40%	Positive	n/a	Improving
	Attainment gap, SIMD 5 to SIMD 1, leavers achieving 5 or more awards at level 6 or higher	43%	Negative	n/a	Improving
Positive school leaver destinations	% of all school leavers in positive initial destination	95.00%	Equal	n/a	Improving

Productivity Growth

- Output per capita in Edinburgh in 2018 was £47,631 a 2.8% increase on 2016.
- The increase in output per capita from 2016 to 2018 in Edinburgh was higher than Scotland 2.2% and UK 1.5%.
- Edinburgh's productivity growth in 2015-18 was relatively flat in comparison to 2012-15. Whereas, productivity in the UK and Scotland has remained fairly static since 2011.

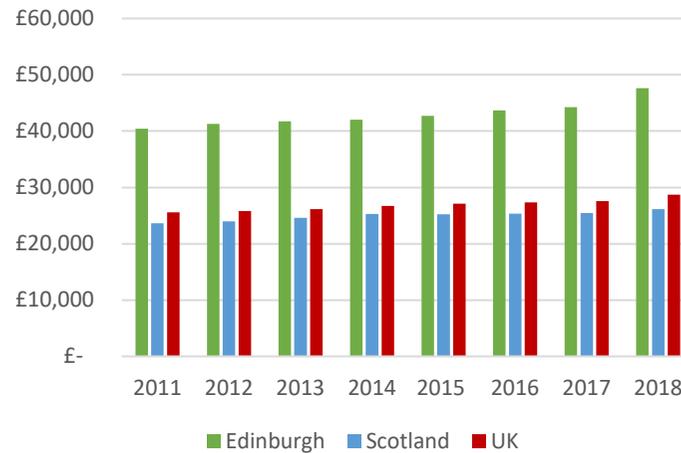
Business Growth

- New Business births per 10,000 population in Edinburgh was at 54.4.
- Since 2015 there was a decline in new businesses in Edinburgh but it increased again in 2018

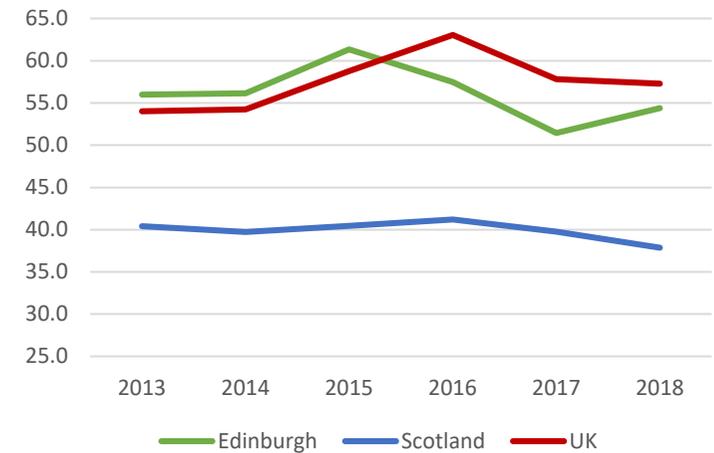
Earnings Growth

- The gap between Edinburgh earning levels and earning in Scotland and the UK has shrunk over time. Edinburgh earning growth was slow 2013-16, but then picked up towards 2019.

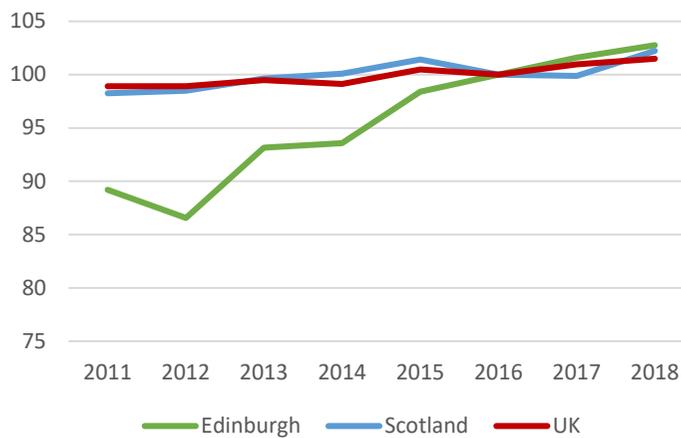
GVA per capita (constant prices)



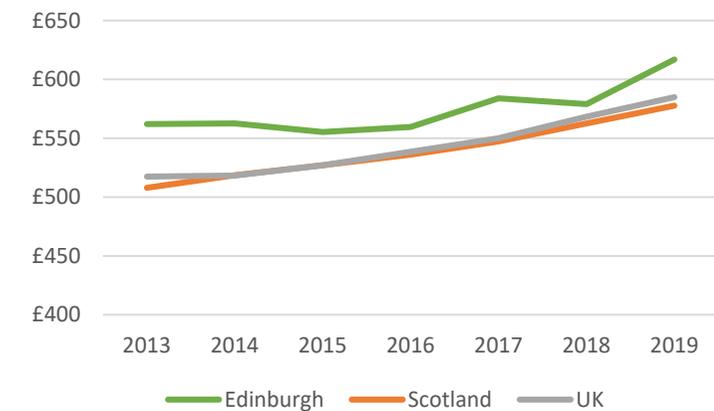
Business Births per 10k population



Nominal GVA per hour worked (2016=100)



Median weekly FT earnings (constant prices)

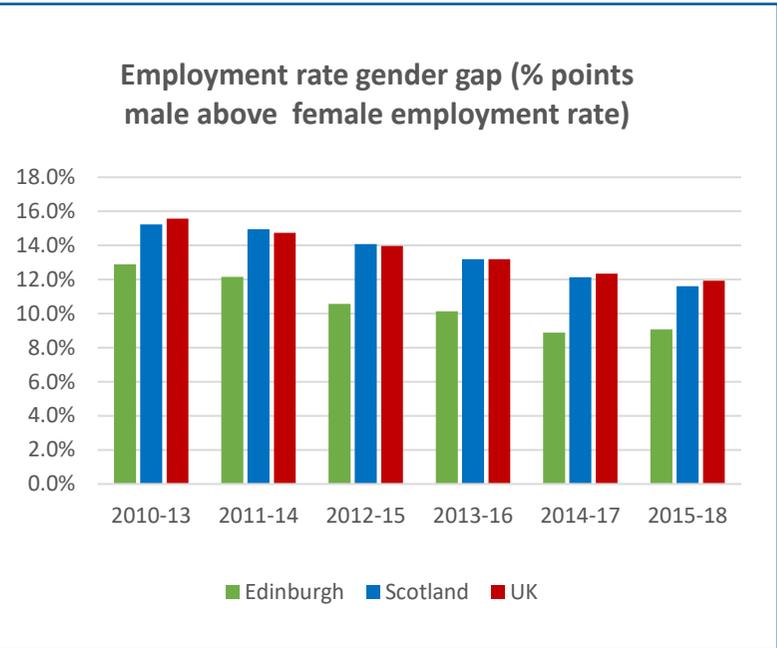
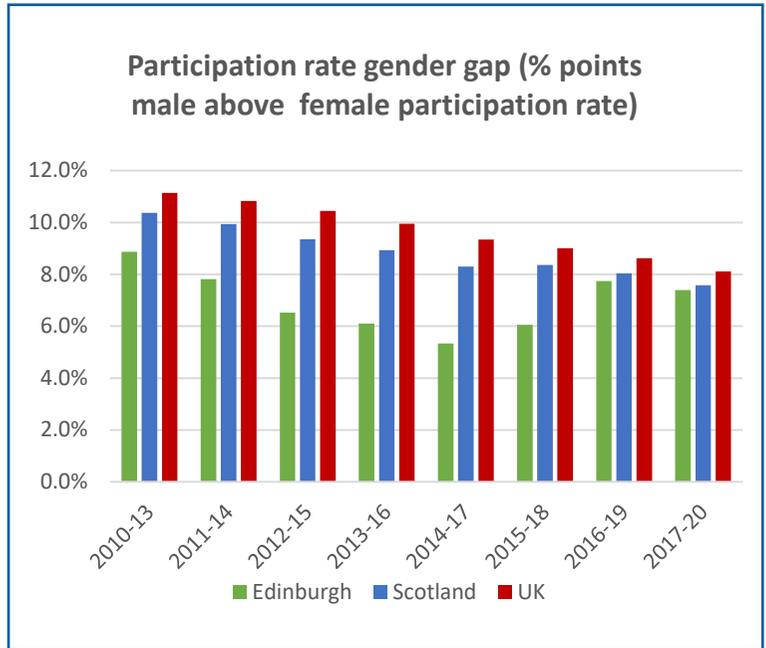
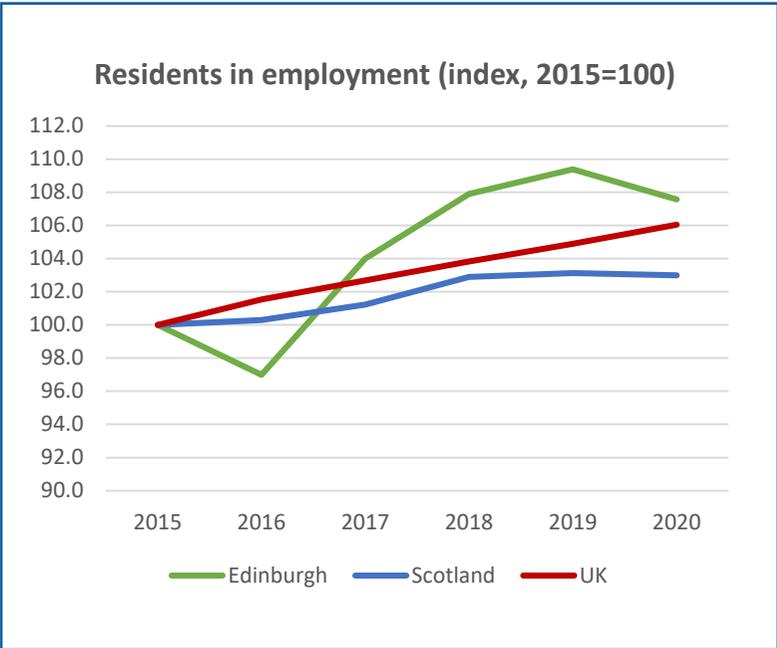
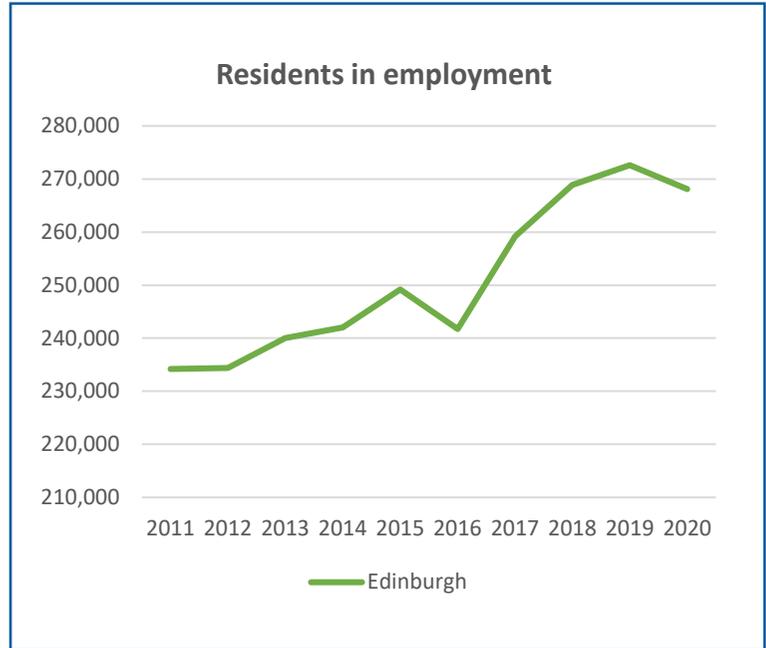


Jobs Growth and Employment

- There were 268,100 residents in employment in the 12 months to June 2020 in Edinburgh.
- This represents a fall of 1.7% in Edinburgh compared to last year. There was over that same period no change in Scotland (-0.1%) and an increase in the UK (1.1%).

Gender gap

- The size of the gender gap in employment has decreased over time in Edinburgh, Scotland and the UK.
- The gender gap over 2015-2018 was 9.1%-points in Edinburgh, this compares to above 12%-points in 2010-2013.
- The participation rate gender gap in Edinburgh has also narrowed over time since 2010-2013, but slowly increased since 2014-2017.
- The participation rate gender gap has fallen over successive period for the UK and Scotland.



Unemployment

- Edinburgh's unemployment measured by the claimant count increased to 18,730 in September 2019, up from 6,380 in September 2018.

Benefits dependency

- The claimant count rate in Edinburgh for those on unemployed benefits was 5.1%. In September 2020 the claimant count rate was 6.3% in Scotland and 60.5 in the UK. This compares to 6.3% in Scotland and 60.5 in the UK.

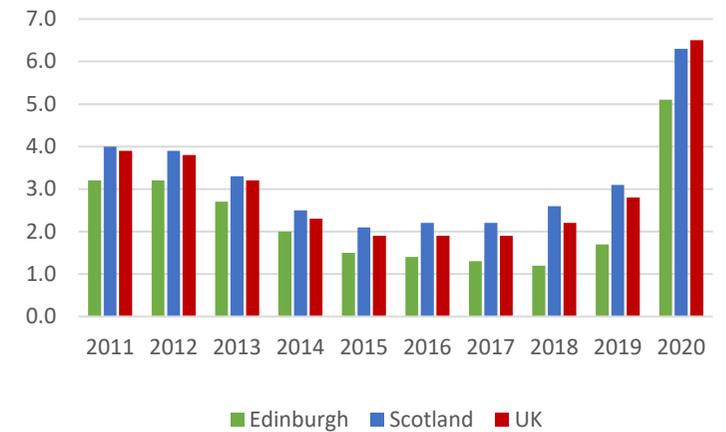
School attainment and positive destinations

- Edinburgh's attainment gap between the top and bottom SIMD quintiles had shown little change over time.
- Relative to Scotland there has been some small narrowing of the gaps especially from 2017-2019.
- Edinburgh has improved the rate of school pupils entering positive destinations over time rising to 95% in 2018/19.

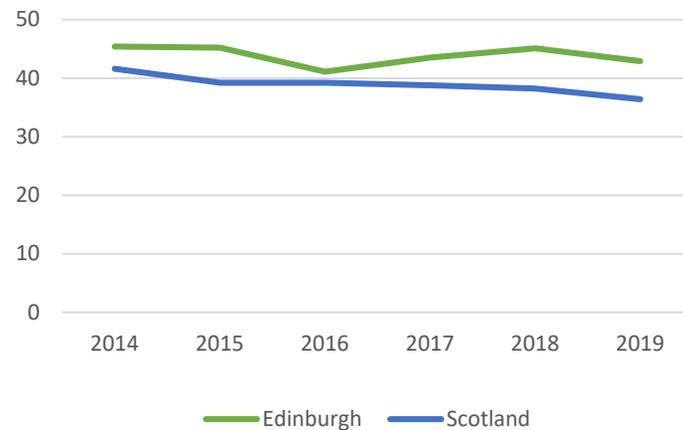
Edinburgh Residents unemployed (claimant count) in September



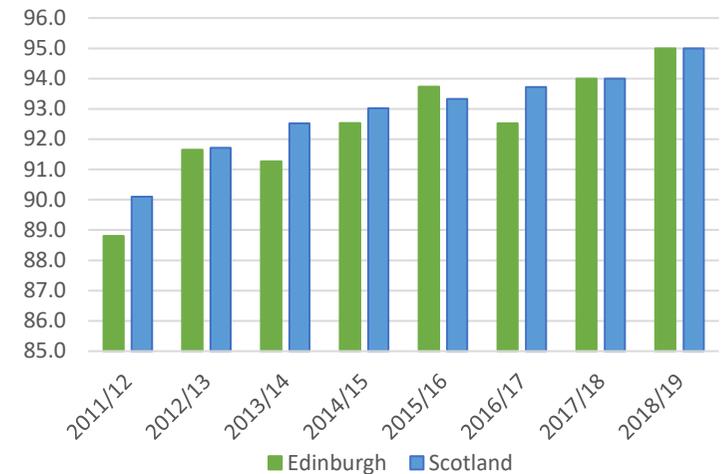
Unemployed benefits claimant count rate (year to September)



Attainment gap between SIMD Q5 and Q1 pupils, % attaining 5 or more awards at level 6

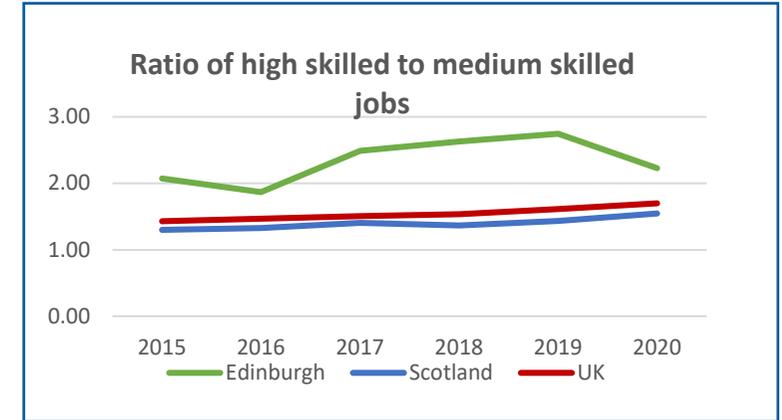
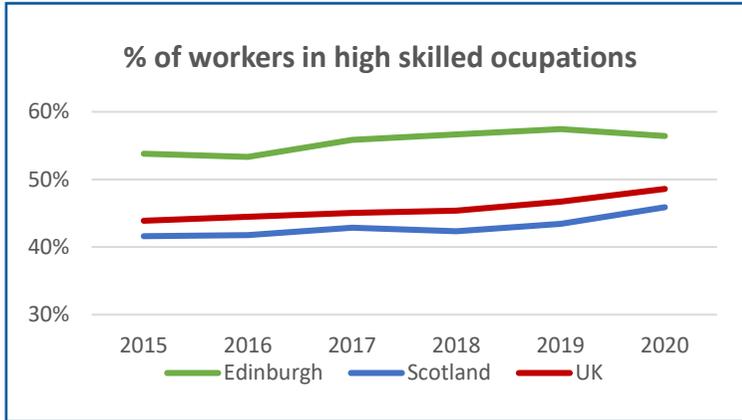


% of school pupils entering positive post school destinations



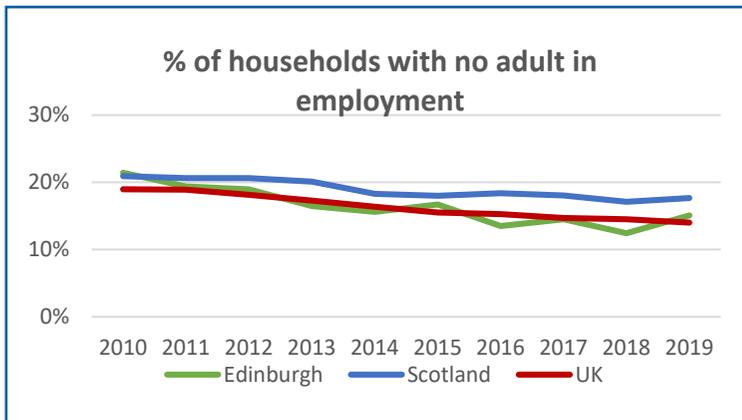
Employment in high skilled occupations and job market polarisation

- Labour market polarisation increased in Edinburgh during the 12 months to June 2020 from 2.75 to 2.23
- This may have been caused by a combination of rising mid-skill jobs and a decline in high skilled occupations in the city.



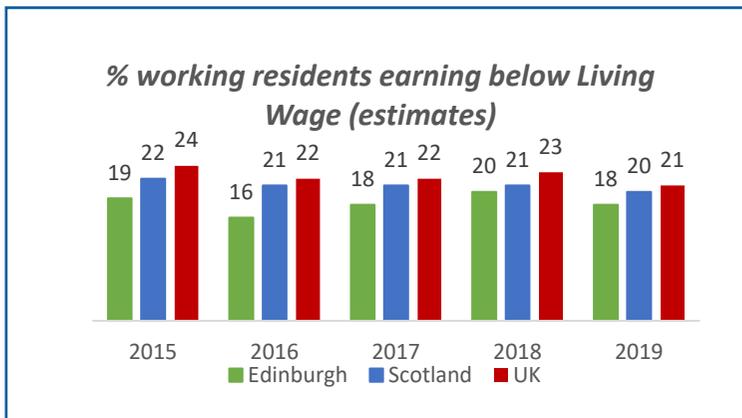
Worklessness

- The proportion of households not in work has declined relatively more in Edinburgh than in the UK and Scotland falling to 15% in 2019.



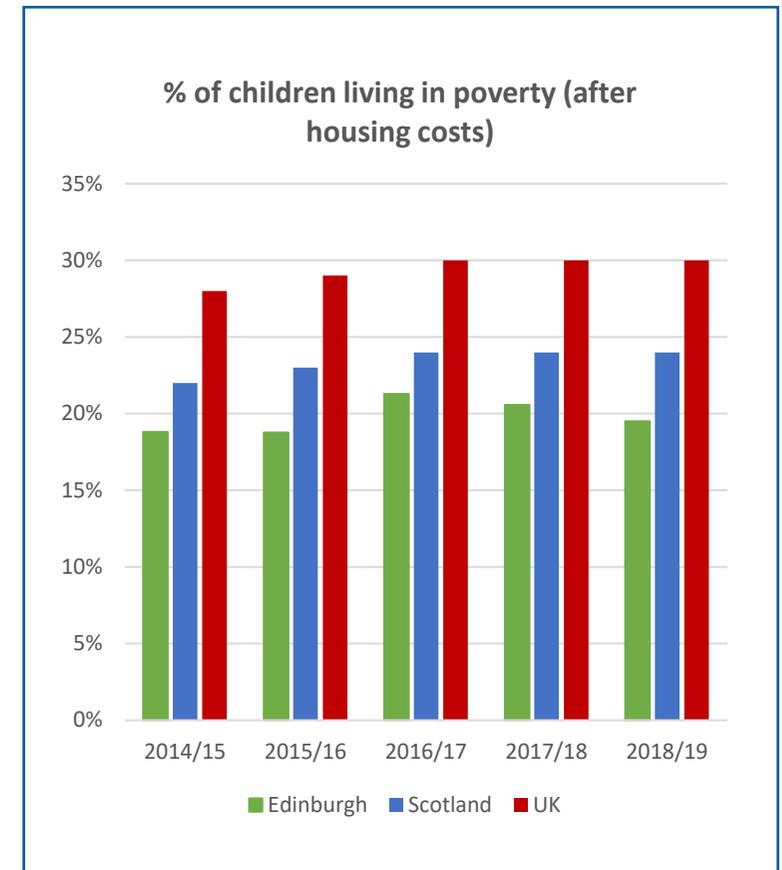
Living Wage

- The threshold of the living wage in 2019 was £9.30 and increase from £9.00 in 2018.
- It is estimated that in Edinburgh 18% of working residents are earning a wage below the living wage. Lower than Scotland and UK, but no large changes over time.



Child Poverty

- Child Poverty rates are 19% in Edinburgh lower than Scotland and UK, but little change over time is observed.



The Edinburgh 'Development' Concordat

Draft NEW CONCORDAT – post (COVID-19) / economic recovery 2020

V.04 September 2020

1 Introduction and wider context:*'(COVID-19) pandemic, impending recession and our economic recovery'*

1.1 This Concordat is a working document which sets out how developers and businesses, representative community organisations and the Council's development functions can work together to achieve good placemaking development proposals. This Concordat recognises the requirement for flexibility and adaptability and advocates a more continuous tripartite agreement between the public, private and community sectors from pre-application discussions through to post decision engagement, to ensure expectations are managed and met. The scope of this concordat has been widened to involve wider development functions of the Council such as 'Building Standards', 'Road Construction Consent', 'Licensing', 'Environmental Health' and 'Legal Services' where applicable, to ensure a whole Council approach as an enabler of development.

1.2 This Concordat replaces earlier concordats and recognises the need for agility, flexibility and collaborative engagement between Council services, the development and business communities and representative community organisations in the wake of the (COVID-19) pandemic and the need to address the City's economic recovery.

2. 'WHO' is the new Edinburgh Development Concordat for?*'a tripartite agreement between the Council, development industry and local communities'*

- (i) The City of Edinburgh Council development functions
- (ii) The development and business sectors
- (iii) The local communities of Edinburgh

3 Concordat Roles:

3.1 **Overall Role:** The Edinburgh Development Concordat is based on principles around behaviours based on how we are going to understand, appreciate and work better with one another. Qualities such as 'Understanding', 'Collaboration' and 'Alignment' in achieving the outcomes of good 'Placemaking' and 'Economic Growth' are actively encouraged amongst all members.

- 3.2 **Developers** are encouraged to promote the value of early and meaningful engagement including post planning decision engagement with community councils in shaping and realising development proposals. Within this context, the [changes to pre-application consultation proposed by the Scottish Government: consultation](#) should be recognised.
- 3.3 **Community** organisations are encouraged to promote the vital role in representing the views of the wider community when new developments are proposed and to work collaboratively with developers from pre-application through to post planning decision.
- 3.4 **Council** will promote the ways that developers and representative community organisations can engage with each other and will promote a "whole Council approach" as an enabler of development to promote and facilitate a more continuous "end to end" approach taking in all of the development functions of the Council throughout the whole development process. A 'fit for purpose' enforcement regime will help ensure a consistency of regulation and further promote the "whole Council approach".
- 3.5 To achieve this, the **Council** will promote greater awareness and alignment amongst all of its development functions and the new ways of working required to actively contribute and uphold the principles of the concordat. It is however, important to recognise and respect the independence of regulatory roles of each of the Council's development functions including, the autonomy that the planning authority must take in reaching planning decisions affecting all interests openly, impartially, with sound judgement and for justifiable reasons.
- 4 **'WHY' we require the 'Edinburgh Development Concordat'**
- 'Introduction'*
- 4.1 Edinburgh remains a city of growth but, now, in the wake of the (COVID-19) pandemic, faces even greater challenges to provide homes and jobs for our communities. Protecting Edinburgh's heritage assets and retuning its economic profile to that of previous levels is a key priority for years to come. In doing so, the plan-led system in Scotland is used to make decisions about the future developments of our areas and is used to balance different interests to make sure that land is used and developed in a manner that creates high quality, sustainable and inclusive places to live, play and work. It is recognised that not everyone wants change/developments in their own area and tensions can rise. However, before change is proposed, experience has shown that when developers, communities and the local authority work constructively together, better places can be created. Getting the balance right is difficult but important.

‘Strategic Outcomes and Direction’

- 4.2 The values and principles of the 2050 Edinburgh City Vision are the cornerstone guiding Edinburgh’s social and economic recovery and delivering radical change and strategic outcomes that Edinburgh’s public, partners and stakeholders desire. The City Vision provides clear aspirations for what the city is looking to achieve and will help to create a coalition of communities across city stakeholders committed to delivering on the city vision principles and supporting one another in embedding these within their own strategies and values.
- 4.3 The 2030 City and Mobility Plan’s and the City Centre Transformation Project will support the 2050 Edinburgh City Vision to bring about good growth, support health and wellbeing, the provision of the right types and quality of new homes and neighbourhoods with increased affordability, promote sustainable, safe and attractive accessible options for moving people and goods around the city and enable sharing in the economic success of the city.
- 4.4 These outcomes reflect Edinburgh’s objectives to address the impact and challenges of climate change, to be carbon neutral by 2030, to build 20,000 new affordable homes before 2027, to transform our city centre and rebalance space in the city from private vehicles to active travel and public transport while supporting business, innovation, learning and culture.
- 4.5 The Councils Adaptation and Renewal Programme looks to ensure the Council and the City prepares for the City’s longer-term renewal. The programme is built from the Council’s agreed priorities of Sustainability, Poverty and Wellbeing and be guided by the principles set out in the 2050 City Vision.

5. **‘HOW’ will the new Edinburgh Development Concordat work?**

‘Behavioural benefits of aligning understanding and collaborative working’

5.1 Benefits for developers and businesses

- to signal that the Council remains open for business
- to establish the benefits of early and post decision engagement
- to establish the coordinated involvement of wider development functions of the Council within this engagement process
- to encourage and ensure transparency, collaboration and alignment in recognition of the values and principles of the 2050 City Vision and the economic value in developing ‘good places’.
- to ensure expectations are managed and met

5.2 Benefits for the City's communities

- to ensure early participation and post-decision engagement in the processes involved within the Council's development functions
- to reduce information and process uncertainty
- to ensure that meaningful pre-application consultation (PAC) is delivered through the planning process
- to encourage and ensure transparency, collaboration and alignment in recognition of the values and principles of the 2050 City Vision to achieve the development of 'good places'.

5.3 Benefits for Council

- to promote a culture of continuous improvement
- to demonstrate added value
- to better understand and manage expectations
- to promote better understanding and alignment within Council's wider development functions as a proactive enabler of development.
- to encourage and ensure transparency, collaboration and alignment in recognition of the values and principles of the 2050 City Vision to achieve the development of 'good places'.