

# Edinburgh and South East Scotland City Region Deal Joint Committee

**2pm, Friday 2 September 2022**

## **City Region Deal Annual Report 2021/22**

**Item number 5.6**

### **Executive Summary**

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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 2021 to July 2022).

The report contains a City Region Deal overview, Financial Statement (for the financial year 2021-22), a short summary of progress on each project and programme and expected milestones to be achieved in the next year. This year, a series of case study videos are embedded in the report to demonstrate how the Deal's projects and programmes are benefiting people.

The report shows significant progress across the 20 projects and programmes within the City Region Deal. While cost inflation has affected the budget of some of the projects which are in delivery, all are considered to be within acceptable time and budget parameters.

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# Edinburgh and South East Scotland City Region Deal Joint Committee

## City Region Deal Annual Report 2021/22

### 1. Recommendations

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- 1.1 To note the appended annual report.

### 2. Background

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- 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

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- 3.1 The Annual Report for 2021/22 is an overall progress report for the City Region Deal programme between 1 August 2021 and 31 July 2022, with the exception of the Financial Statement which contains financial information for the financial year 2021/22.
- 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. This year, as more projects move into delivery, a series of case study videos are embedded in the report to demonstrate how the Deal's projects and programmes are benefiting people. There is also an 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 20 projects and programmes within the City Region Deal. While cost inflation has affected the budget of some of the projects which are in delivery, at the financial year end 2021/22, all were considered to be within acceptable time and budget parameters:
  - 2 projects were in Stage 1: Define, which means that the project's business case is yet to be completed (6 in 2021),

- 15 are were 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 2021)
- 6 are were Stage 3: Deliver, which means that the project has been implemented and is working towards delivering its objectives (5 in 2021)
- 14 projects were considered to be on target to be completed on time (green score) or have been completed on time (14 in 2021)
- 9 projects were delayed, but considered to be within an acceptable range, with management action in place to address the issue (amber score). (10 in 2021)
- 19 projects were considered to be on target to be completed within the specified budget (green score) or have been completed within the specified budget (19 in 2021)
- 2 projects were 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). (2 in 2020)

3.4 £58.09 million of Government money was drawn down in the 2021/22, with £54.02 million on Capital projects and £4.07 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:

- Developing and publishing a Regional Prosperity Framework for Delivery 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);
- Establishing a series of regional propositions for the region's six local authorities to bid into together to the UK Government's [Shared Prosperity Fund](#) over the next three years;
- Launching the [ESESCommunities](#) portal to assist with delivering community benefits across the programme;
- Contributing our regional perspective to key consultations including National Planning Framework 4; the National Strategy for Economic Transformation; and the Strategic Transport Projects Review 2;
- Joint Committee [endorsing the Forth Green Freeport](#) bid to boost innovation and inclusive growth within our communities; and
- Establishing a regional Bus Service Improvement Partnership to deliver £3.03m of regional bus improvements from the Scottish Government's [Bus Partnership Fund](#).

3.6 Looking ahead towards 2022/23, significant developments in project delivery are expected including:

- Completion of business units at Hillend and Donibristle Industrial Estate, Dalgety Bay as part of the Fife Industrial Innovation programme by September;
- Official opening of the National Robotarium in September;

- Launch of Helix.scot platform to provide employability partners across the city region with a joined up, regional platform, which will run in parallel with the Customer Relationship Management System by October;
- Public Local Inquiry for A720 Sheriffhall roundabout to be held in late 2022/early 2023;
- Completion of junction works at Queen Margaret University for Food and Drink Innovation Hub in January 2023, and the commencement of the construction of the hub itself in July 2023;
- Completion of the West Edinburgh Transport Improvement Plan Outline Business Case in Summer 2023;
- Completion of the Usher Institute building in July 2023; and
- Three new learning pathways piloted by The Housing and Construction Infrastructure project to be deployed as national programmes, upskilling 200 people working in construction within the region.

## 4. Financial impact

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- 4.1 There is no financial impact relating directly to this report.
- 4.2 The Financial Statement shows that £58.1 million of Government money was drawn down in 2021/22, in line with the financial plan.

## 5. Alignment with Sustainable, Inclusive Growth Ambitions

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- 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. Updates will be provided to Joint Committee from March 2023.
- 5.3 Scottish and UK Government 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. This will form an important part of regular reporting through the Benefits Realisation Plan.

## 6. Background reading/external references

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

## 7. Appendices

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- 7.1 City Region Deal Annual Report 2021/22 (accessible) or view [interactive version](#)