

Edinburgh and South East Scotland City Region Deal Joint Committee

2 pm, Tuesday 3 September 2019

City Region Deal Progress Report

Item number

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

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Report

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 on a weekly basis and shared with Government. A RAG (Red, Amber, Green) scale is assigned to programmes and projects by the Programme Management Office (PMO), as well as scored for inclusive growth and partnership working.
- 2.2 Tables 1, 2 and 3 shows 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: Inclusive Growth Score Guidelines

Score	Definition
1.	Project's links with inclusive growth framework are being developed.
2.	Project's links with inclusive growth framework have been identified and are in the process of being implemented.
3.	Project's links with inclusive growth framework are being delivered and monitoring and evaluation is in place to assess impact.

Table 3: Partnership Working Score Guidelines

Score	Definition
1.	Links have been identified with projects in other themes/with regional partners outwith City Region Deal.
2.	Links are in the process of being established with projects in different themes/with regional partners outwith City Region Deal.
3.	Links are being exploited between this project and other themes/with regional partners outwith City Region Deal.

2. Main report

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

3. Financial impact

- 3.1 A signed Grant offer letter for 2019/20 was received from Government 13th August 2019 which was duly signed and returned on the 15th. This will enable the draw down process once signed Partner Agreements are received.
- 3.2 The financial summary, updated quarterly, on Page 2 shows that £50.7 million (excluding funding issued by Transport Scotland and Scottish Government Housing) has been allocated for the programme for 2019/20, in addition to the £41.3 million drawn down in 2018/19.

4. Equalities impact

- 4.1 Inclusion is a key driver for the City Region Deal, and 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.

- 4.2 A Monitoring and Evaluation Framework is being developed for the programme, which will incorporate clear indicators to align with the Scottish Government's Inclusive Growth Framework, also under development. The impact on equalities, human rights and sustainability are also being incorporated into the framework. The framework is expected to be complete by December 2019.

5. Background reading/external references

- 5.1 [City Region Deal Document](#): August 2018
5.2 City Region Deal Annual Report: 2018-19

6. Appendices

- 7.1 Appendix: City Region Deal Progress Report

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Overall Status Last Period	Overall Status This Period
Amber	Amber

Page 1: Dashboard

Achievements and Milestones (see [Implementation Plan](#) for further information)

Agree M&E framework with Govt	3 July 19
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Financials Summary (see [Financial Summary](#) for further information)

*Funding issued by Transport Scotland and SG Housing not included in this total

Total CRD grant £000	CRD grant drawdown to date £000		19-20 CRD Grant allocation	19-20 Grant drawdown
600,000	41,300	6%	£50.73m*	To be confirmed

Upcoming Milestones	Target Date	RAG
19-20 signed Grant Offer Letter from SG	June 19	Amber
Annual report Draft 1 to be complete	2 August 19	Green
Joint Committee meeting to consider Usher Institute and Annual Report	3 Sep 19	Amber
Annual Conversation	12 Sep 19	Amber

Top 3 Risks (see [Risk Register](#) for full list of risks)

Risk	Impact	Likelihood	Severity	Resolution Plan or Mitigating Action	Risk owner
There is no regional strategy/framework to set up structures for future delivery of regional spatial and transport plans.	3	4	12	<ul style="list-style-type: none"> Suggestions for new approaches towards regional planning, transport and housing delivery are being shared with Executive Board, Directors Group (inc. Govt/agencies) and R.E.C. Council Leaders are being kept informed as appropriate. 	Directors' Group
Insufficient PMO Resources	5	2	10	<ul style="list-style-type: none"> Request for additional resources to be made to Executive Board when appropriate Progress reports, quarterly reporting and risk register to track progress towards deadlines and highlight potential delays to PMO before they arise. Use secondments and reallocate staff to City Region Deal activity when required. Re-assess capacity and skillsets regularly in line with changing requirements. Ensure the inclusion wider PMO network, for example drawing on project leads more, when required. PMO Plan to be developed. 	Exec Board
Insufficient Resources from project leads	4	2	8	<ul style="list-style-type: none"> Regular contact between PMO and other partners on projects and information required. Other partners to assist in developing business cases and reporting where capacity is low. Workshops to ensure that reporting requirements are understood and that there is buy-in. Many programmes are building in staff costs, and lead organisations are taking on risk for funding to help alleviate this issue. 	Exec Board

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Page 2: Financial Summary



Overall Total			Project Name	2019 - 2020					Comments	
Total Budget £000	CRD Grant Total £000	CRD Grant Claimed To Date £000		Grant Allocation £000	CRD Grant claimed (Q1) £000	Spend to date (Apr-Jun) £000	Forecast outturn £000	Forecast vs Allocation variance		
101,047	32,545	22,412	Bayes Centre	10,133	0	9,086	10,133	0	Forecast is based on profile as per full business case	
22,469	22,469	70	National Robotarium	2,566	0	26	1,770	-796		
189,297	57,920	18,862	Edinburgh Futures Institute	13,770	0	1,192	13,770	0		
190,620	79,595	0	World Class Data Infrastructure	8,417	0	655	8,417	0		
84,610	49,205	0	Usher Institute	0	0	0	0	0		
42,596	17,366	0	Easter Bush	0	0	0	0	0		
30,000	10,900	0	Easter Bush Link Road - A701 & A702	0	0	0	0	0		
52,003	30,000	0	Food & Drink Innovation Hub	0	0	0	0	0		
49,425	35,000	0	Fife Industrial Innovation Investment	0	0	0	0	0		
29,050	15,000	0	Scottish Borders - Innovation Park	1,750	0	0	1,750	0		
791,117	350,000	41,344	Total Research, development and innovation	36,636	0	10,959	35,840	-796		
25,000	25,000	0	Integrated Regional Employability & Skills	3,250	0	37	2,711	-539		Some projects not spending until Grant letter received
25,000	25,000	0	Total IRES	3,250	0	37	2,711	-539		
120,000	120,000	2,600	Sheriffhall Roundabout*	0	0	0	0	0	Transport Scotland hold budget Consultants currently working on proposal for TAB	
36,000	20,000	0	West Edinburgh Transport Appraisal	2,000	0	0	100	-1,900		
156,000	140,000	2,600	Total Transport	2,000	0	0	100	-1,900		
44,990	20,000	0	IMPACT/Dunard Concert Hall	8,839	0	758	7,522	-1,317	The Council has been served with a petition for judicial review of the decision to grant planning permission	
44,990	20,000	0	Total Culture	8,839	0	758	7,522	-1,317		
263,000	15,000	5,060	Housing Company**	5,192	0	0	5,192	0	Separate grant letter from SG Separate letters from SG for individual proposals. The allocation figure is based on the financial plan	
50,000	50,000	0	Housing Infrastructure Fund**	12,500	0	0	0	-12,500		
313,000	65,000	5,060	Total Housing	17,692	0	0	5,192	-12,500		
1,330,107	600,000	49,004	Total Programme	68,417	0	11,754	51,365	-17,052	Shortfall of utilising grant funding	

Note: Figures in red represent a forecast underspend against the Grant allocation

* Funding issued by Transport Scotland. ** Funding issued by SG Housing

Overall Status Last Period	Overall Status This Period
Amber	Amber

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

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Partnership Working Score

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Project	Stage	Last Milestone	Next Milestone	T	B	IG	PW	Comments
Bayes Centre	Deliver	Sep 18: Opening	N/A	G	G	2	2	
National Robotarium	Implement	Jul 19: Stage 2 Concept Designs signed off by Project Executive Board.	Dec 19: Appointment of National Robotarium CEO	G	G	1	1	
Edinburgh Futures Institute	Implement	Start on site	Sep 21: Complete construction	A	G	2	2	Slippage in 2019/20 spend due to complexity of enabling works package
Usher Institute	Define	Aug 18: Deal agreement	Sep 19: Approve FBC	G	G	1	2	
Easter Bush	Define	Aug 18: Deal agreement	Mar 20: Approve FBC	G	G	1	1	
World Class Data Infrastructure	Implement	Start on site	Jul 20: Complete construction	G	G	2	2	

T: Timeline; B: Budget; IG: Inclusive Growth score; PW: Partnership Working score (see p.3 for definitions)



Project	Stage	Last Milestone	Next Milestone	T	B	IG	PW	Comments
Edinburgh Innovation Park (QMU Food and Drink Hub)	Define	Finalise specification for the procurement of specialist advice for the FBC.	<ul style="list-style-type: none"> Conclude Section 75 agreement to permit the release of the planning permission – Aug 2019 Meet with UKG rep at Scotland office to update on FBC progression – Aug 2019 Award the tender for the procurement of specialist advice for the FBC – Sept 2019 Determine the detailed planning application for the junction/ initiate the tendering process – Oct 2019. 	G	G	1	1	
Fife Industrial Innovation Investment (Fi3P)	Implement	Planning approval for first site	Planning permission for Project 2 (during Q2 19/20)	G	G	1	2	<p>Mobilising resources into implementation phase. Discussions underway with University of Edinburgh to agree development opportunities based on the DDI programme impacts.</p> <p>Likely underspend on a project has been identified and options for reinvestment have been agreed by the Fife Council programme board. This change is within the agreed programme tolerances, no escalation or further action required.</p>
Central Borders Innovation Park	Implement	Design, procurement, and construction of Phase 1 (ongoing)	Discussion with potential contractors regarding first building in Phase 2.	G	G	1	1	Engagement with potential occupiers of buildings being procured under Phase 1 continues.

Project	Stage	Last Milestone	Next Milestone	T	B	IG	PW	Comments
Dunard Centre	Implement	CEC Planning Determination April 2019	Appointment of the Contractor, selected through the procurement process, to deliver the Pre Construction Services	A	A	2	2	On 30 July Nuveen (Edinburgh St James) submitted a petition for judicial review on CEC planning committee, decision to grant planning permission for the Dunard Centre. There is a risk to delivery timescales.

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Project	Stage	Last Milestone	Next Milestone	T	B	IG	PW	Comments
Affordable housing	Deliver & Define	Workshop held on 21 June with key stakeholders	Report to Regional Housing Board 27 August to consider outline work programme	A	A	1	2	<ul style="list-style-type: none"> Recent figures have revealed that between 2015/16 and 2018/19 regional partners have delivered over 10,000 completions with housing grant spend increasing from £70m to £130m over the same period.
Strategic sites	Implement & Define	Workshop held on 14 June with key stakeholders	Report to Regional Housing Board 27 August to consider outline work programme	A	A	1	1	<ul style="list-style-type: none"> Business cases for sites are at different stages of development. Opportunity to develop a strong, ambitious regional vision across the seven sites.
Innovation & skills	Define	Workshop held on 21 June with key stakeholders	Report to Regional Housing Board 27 August to consider outline work programme	A	A	1	2	<ul style="list-style-type: none"> Opportunity explore potential bid to the UK Government Industrial Strategy Challenge Fund - the transforming construction programme will be open to collaborative research & development and demonstrator project applications from 5 August 2019.
Infrastructure, funding and land assembly	Define	Workshop held on 14 June with key stakeholders	Report to Regional Housing Board 27 August to consider outline work programme	A	A	1	1	<ul style="list-style-type: none"> Many workshop participants informed that it was the first time some had met to discuss shared opportunities and challenges and expressed that the workshop offered a forum for a rounded discussion on infrastructure planning and delivery that should be continued.
Housing company	Deliver	First homes completed in Clermiston.	Homes under construction across various sites.	G	G	1	2	<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.

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