

## PERTH AND KINROSS COUNCIL

22 June 2016

## TAY CITIES DEAL – PROGRESS REPORT

**Report By Depute Chief Executive, Environment  
(Sustainability, Strategic and Entrepreneurial Development)**

This report seeks to update on the Council's participation in a City Deal with the neighbouring authorities of Angus, Dundee City and Fife, and seeks authority to advance this joint working.

**1. BACKGROUND / MAIN ISSUES**

- 1.1 On 25 March 2015 (Report No. 15/146, Art. No. 97) the Council agreed that the Council liaise with the neighbouring authorities of Angus, Dundee City and Fife to prepare a bid for a City Deal that will assist in bringing forward key economic infrastructure projects in the Tayside area. Since then, considerable progress has been made in advancing a Tay Cities Deal as outlined below.

**Governance Arrangements**

- 1.2 A Leadership Group, Directors' Group and Officers' Group have been established to provide an interim governance structure for the early stages of the work into a City Deal. The Leadership Group is made up of the Leaders and Chief Executives of the four Councils and it has full oversight on the project and provides guidance, through a group formed by the four Directors of Development (or equivalent), to the Officers' Group where the main work is undertaken. A temporary Project Coordinator was appointed to lead on the delivery of the initial work on a City Deal.
- 1.3 While this structure has worked very well in bringing the Councils together, it is unlikely to be sufficient to provide longer term governance on such a major partnership initiative. It is, therefore, proposed that the potential for a new Joint Committee structure is explored with Angus, Dundee City and Fife Councils and a suggested future governance structure is provided at Appendix 1. Similarly, it is considered that more dedicated staffing resources will be required to drive the City Deal forward and work is underway to second a suitable senior officer to act as the Head of City Deal. The recent announcement of a review of the Enterprise Agencies by Scottish Government gives potential opportunities to explore the options for a new model for economic development delivery across the wider area. It is also proposed that opportunities to align the existing regional bodies for strategic planning (TAYplan) and transportation (TACTRAN) are explored as part of this work.

## **Draft Bid Proposal**

- 1.4 A draft Bid Proposal has been prepared which outlines the Vision and Strategy for the proposed Tay Cities Deal. Following its endorsement by the Leadership Group, this has been submitted to both the Scottish and UK Governments for their consideration. An overview of the draft bid is provided at Appendix 2. The Bid Proposal is closely aligned with both governments' economic strategies and is focussed on promoting 'Fair Economic Growth' where business growth, social inclusion and skills development are at the heart of a cohesive region of knowledge and creativity.
- 1.5 Both the Scottish and UK Governments have responded very positively to the Vision and Strategy which has been proposed and have shown a commitment to work with the four constituent Councils to advance a Tay Cities Deal which delivers that vision. Other public sector agencies have also expressed support for the Tay Cities proposal and have asked to be involved in governance and management of the City Deal. The recent announcement of a national review of enterprise agencies should provide opportunities for a dialogue around regional economic development delivery.

## **Stakeholder Events**

- 1.6 In order to validate and consult on the draft Bid Proposal, an initial set of four stakeholder engagement sessions took place in March and April across the region. They covered:
- 22 March 2016 'Connected Tay' (Byre Theatre, St Andrews)
  - 29 March 2016 'Innovative Tay' (Enterprise House, Dundee)
  - 30 March 2016 'Inclusive Tay' (McDiarmid Park, Perth)
  - 1 April 2016 'International Tay' (Hospitalfield House Arbroath)
- 1.7 A wide range of stakeholders attended each meeting and, while each workshop concentrated on one theme, participants had the opportunity to comment on the other three.
- 1.8 There was a range of views that emerged from the four engagement sessions and the consistent themes which emerged from these will be used to inform the projects and proposals that will be considered for inclusion in the Cities Deal Bid and will be part of the ongoing negotiations with the Scottish and UK Governments

## **2. PROPOSAL**

- 2.1 The intention is to have the project fully resourced by late summer 2016 such that a detailed Bid can be considered by government prior to May 2017. In the meantime, work will continue in establishing the governance structure including particularly the engagement of the Business and the Higher & Further Education sectors; all with a view to assisting the formation of the projects and proposals which will form the core 'asks' of government. Of equal importance will be the 'offers' that the Tay Cities Deal makes to government in terms of City-Regional collaboration to ensure delivery of 'Fair Economic Growth'.

### 3. CONCLUSION AND RECOMMENDATIONS

It is recommended that the Council agrees to:

- (i) The Chief Executive and the Depute Chief Executive, Environment (Sustainability, Strategic and Entrepreneurial Development) being remitted to continue to work in partnership with the neighbouring authorities of Angus, Dundee City and Fife to prepare a bid for a Tay Cities Deal that will assist in bringing forward 'Fair Economic Growth' in the Tayside area.
- (ii) The Chief Executive and the Depute Chief Executive, Environment (Sustainability, Strategic and Entrepreneurial Development) being remitted to investigate the formation of a new Joint Committee structure with Angus, Dundee City and Fife Councils to provide suitable governance for a Tay Cities Deal.

#### Author

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#### Approved

Name	Designation	Date
Bernadette Malone	Chief Executive	8 June 2016

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## 1. IMPLICATIONS, ASSESSMENTS, CONSULTATION AND COMMUNICATION

<b>Strategic Implications</b>	<b>Yes / None</b>
Community Plan / Single Outcome Agreement	<b>Yes</b>
Corporate Plan	<b>Yes</b>
<b>Resource Implications</b>	
Financial	<b>Yes</b>
Workforce	<b>None</b>
Asset Management (land, property, IST)	<b>Yes</b>
<b>Assessments</b>	
Equality Impact Assessment	<b>Yes</b>
Strategic Environmental Assessment	<b>No</b>
Sustainability (community, economic, environmental)	<b>Yes</b>
Legal and Governance	<b>Yes</b>
Risk	<b>Yes</b>
<b>Consultation</b>	
Internal	<b>Yes</b>
External	<b>Yes</b>
<b>Communication</b>	
Communications Plan	<b>Yes</b>

### 1. Strategic Implications

#### Community Plan / Single Outcome Agreement

- 1.1 The activities contribute to all the Community Plan's strategic objectives, but will specifically contribute towards 'Promoting a prosperous, inclusive and sustainable economy' and the outcome of 'a thriving, expanding economy' and towards "creating a safe and sustainable place for future generations.

#### Corporate Plan

- 1.2 Perth and Kinross Council Corporate Plan 2013/2018 set out five strategic objectives:
- (i) Giving every child the best start in life;
  - (ii) Developing educated, responsible and informed citizens;
  - (iii) Promoting a prosperous, inclusive and sustainable economy;
  - (iv) Supporting people to lead independent, healthy and active lives; and
  - (v) Creating a safe and sustainable place for future generations.
- 1.3 This report relates mainly to Objectives iii and v within the Corporate Plan.

## 2. Resource Implications

### Financial

- 2.1 The Council previously agreed (Report No. 15/146, Art No. 97) to contribute up to £150,000 from the approved earmarked reserve for the Transformation Programme.

### Workforce

- 2.2 It is anticipated that 2/3 employees of Perth & Kinross Council will require to devote some, or all, of their time to support the work to progress the Tay Cities Deal across the 4 themes. Where a full-time resource is required, posts will be backfilled and the cost met from the allocated budget.

### Asset Management (land, property, IT)

- 2.3 The proposals will allow the Council to fully meet its duties in relation to securing best value in the management and potential disposal of its property assets.

## 3. Assessments

### Equality Impact Assessment

- 3.1 Under the Equality Act 2010, the Council is required to eliminate discrimination, advance equality of opportunity, and foster good relations between equality groups. Carrying out Equality Impact Assessments for plans and policies allows the Council to demonstrate that it is meeting these duties.
- 3.2 This section should reflect that the proposals have been considered under the Corporate Equalities Impact Assessment process (EqIA) with the following outcome:
- (i) Assessed as **not relevant** for the purposes of EqIA

### Strategic Environmental Assessment

- 3.3 The Environmental Assessment (Scotland) Act 2005 places a duty on the Council to identify and assess the environmental consequences of its proposals.
- 3.4 No further action is required as it does not qualify as a PPS as defined by the Act and is therefore exempt.

### Sustainability

- 3.5 Under the provisions of the Local Government in Scotland Act 2003 the Council has to discharge its duties in a way which contributes to the achievement of sustainable development. In terms of the Climate Change Act, the Council has a general duty to demonstrate its commitment to sustainability and the community, environmental and economic impacts of its actions.

### Legal and Governance

- 3.6 At this stage in the process there are no legal or governance issues to be considered, although depending on the shape of the finalised bid this may change.

### Risk

- 3.7 The principal financial risk would be that insufficient resource is allocated to support the process resulting in the reputational risk of a weak or flawed finalised bid being submitted. This risk is mitigated by the previously approved budget.

## **4. Consultation**

### Internal

- 4.1 The Chief Executive, the Head of Democratic Services and the Head of Legal & Governance Services have been consulted in the preparation of this report.

## **5. Communication**

- 5.1 All communication relating to the Tay Cities Deal will be approved by the four authorities.

## **2. BACKGROUND PAPERS**

City Deal Funding report to Full Council on 25 March 2015 (Report No. 15/146, Art No. 97)

## **3. APPENDICES**

Appendix 1: Tay Cities Deal – Draft Governance Structure  
Appendix 2: Tay Cities Deal Overview