



HM Government



To: Jim Savege, Chief Executive

From: Scottish City Region Deal Delivery Board

18 April 2018

Dear Mr Savege

Aberdeen City Region Deal Annual Conversation

The UK Government and Scottish Government remain fully committed to supporting the successful delivery of all agreed Scottish City Region Deals. To this end, we have established the joint government Scottish City Region Deal Delivery Board (the Board).

The terms of reference for the Board are attached at Annex A for your information. The objective of the Board is to provide implementation oversight of all Scottish City Deals and ultimately to provide assurance to Ministers.

Following the publication of the Scottish Parliament's Local Government and Communities Committee report in January, the Board is continuing to strengthen its governance processes. As part of this we propose to engage each City Region Deal in an '*Annual Conversation*' at senior official level, to celebrate success and discuss progress, informed by the Aberdeen City Region Deal annual report. It also presents an opportunity to reflect and work through any concerns that local partners and governments have about the implementation of the deal and the ambitions for the deal going forward. A proposed agenda is attached at Annex B and a proposed template for the City Deal Annual Report is at Annex C.

The lead UK and Scottish Government officials for your deal, David Herson, Neil MacLennan and Robert Martin, will liaise with John-Paul Cleary to agree a date for the Annual Conversation and confirm the cast list. At this stage, we anticipate the meeting taking place in June. In advance of the meeting, we ask that regional partners share their annual report, along with a cover letter outlining any concerns they wish to raise with UK or Scottish Government two weeks prior to the conversation. Please also provide any additional documentation such as risk registers or implementation plans at this time.

If you have any questions about the annual conversation process, please contact David Herson, Neil MacLennan or Robert Martin.

We would like to thank you for your continued work to drive forward the Aberdeen City Region Deal and look forward to meeting with you to review implementation progress as part of the Annual Conversation.

Yours sincerely

Oonagh Gil
Deputy Director
Scottish Government

Rebecca Hackett
Deputy Director
Scotland Office

Kris Krasnowski
Deputy Director
Cities & Local Growth

cc: John-Paul Cleary
Richard Sweetnam
David Herson
Neil MacLennan
Robert Martin

SCOTTISH CITY REGION DEAL DELIVERY BOARD**Terms of Reference****(Updated March 2018)****Date of next review: March 2019****Role of the Board**

The Scottish City Region Deal Delivery Board – the Board - is a joint UK Government and Scottish Government Board with responsibility for:

- Providing assurance and advice to Ministers regarding the current Scottish City Regions Deals programme from the point of signing Heads of Terms.
- The oversight, monitoring and successful implementation of current Scottish City Region Deals, including the effective monitoring of performance, outcomes, budget, risks and other issues relating to the programme, in accordance with best practice and any recommendations issued by auditors, Audit Scotland or the National Audit Office (NAO).
- The appropriate escalation and advice through both Governments should major issues arise.

Remit of the Board

The remit of the Board will include:

- Monitoring and supporting the successful implementation of Scottish City Region Deals and growth deals from the point of signing Heads of Terms by assessing delivery against agreed implementation plans.
- Oversee and support the development of project business cases having reached the stage of Heads of Terms and where relevant coordinate their final approval with Ministers.
- Agreeing common Government positions and/or required mitigations to manage developing issues, risks or any slippage to a Deal or specific project.
- Agreeing, as far as is possible, common negotiation positions with the relevant localities which will underpin the negotiation of new City Region Deals or any potential future regional growth deals within Scotland.

Accountability of the Board

- The Board will report to the Senior Responsible Officers and Accountable Officers in both governments on the work of the Board and the successful implementation of Scottish City Region Deals.
- A report noting the status of implementation of Scottish City Region Deals will be submitted to Ministers on an annual basis, based on the outcome of the annual implementation review meetings, ahead of a joint UKG/SG Ministerial forum (if agreed by Ministers).

How the Board will function

- The Board will ensure that all City Region or other potential jointly agreed place based growth deals in Scotland having reached the stage of Heads of Terms have appropriate implementation documentation that has been agreed by both SG and UKG. This may include but are not limited to:
 - An implementation plan
 - A monitoring and evaluation framework
 - A regional governance agreement
 - A communication strategy
- Where either government has a specific expectation of regional partners as part of the return expected for growth deal investment, respective officials will seek to facilitate this as part of framing the deal, with Ministers agreeing any relevant proposal. The Board will take this in to account in future monitoring and evaluation.
- The Board will monitor the implementation of current and agreed City Region Deals. This will be achieved by receiving progress reports at each meeting from SG/UKG Deal leads.
- The Board will maintain and review at each meeting an issues log and risk register. Mitigations will be agreed and their implementation and success monitored by the Board.
- The Board will escalate issues and risks as required through internal SG/UKG processes and ultimately to Ministers.
- The Board will undertake an annual implementation review conversation with each of the City Region Deal partnerships to review Annual Reports and discuss implementation progress.
- The Board will maintain a profile with City Region Deal Partnerships, undertaking annual implementation review conversations and inviting representatives to meetings as required.

Format of Board meetings

- Reports will be received at every meeting on all Deals being implemented. These reports will include updates from both the SG and UKG lead on their government's delivery commitments, as well as a summary of the local areas' progress.
- Regional City Deal partners may be invited to attend meetings to discuss implementation progress.
- A risk register and issues log will be presented at each meeting. All SG and UKG Deal leads will contribute to the issue/risk management process.
- A verbal summary of the Deals being negotiated will be received at every meeting to assist the Board with forward planning.

Responsibility of attendees

- To update on Deal implementation progress, developing issues and known risks at each meeting.
- To provide required updates to the secretariat by agreed deadlines to ensure timely sharing of papers.
- To utilise the Group's agreed PMO tools and techniques to ensure a consistent approach is taken as much as possible with local Deal areas.

Membership

Core membership will be as follows (with additional attendees as appropriate):

- Scottish Government, Economic Development, Deputy Director (Oonagh Gil - Joint Chair)
- UKG Scotland Office Deputy Director (Rebecca Hackett - Joint Chair)
- UKG Cities and Local Growth Unit Deputy Director (Interim) (Kris Krasnowski)
- HMT / Scottish Government Finance
- Transport Scotland as required
- Other UKG/SG departmental/directorate representatives as required

Secretariat for the meetings

- The Secretariat for the meeting will be jointly provided by SG (City Deals Finance and Governance Team) and UKG (Cities and Local Growth Unit). The agenda and papers for the regular meetings will be circulated at least five days in advance of the meetings.
- The group will meet at least quarterly unless there is urgent business. Regular meeting dates will be agreed at least six months in advance. Ideally a 12 month rolling programme of dates will be maintained.
- Meetings will alternate between SG and UKG offices and will be available by videoconference and/or teleconference.
- An agenda setting meeting will be held at least two weeks ahead of Board meetings by a *Working Group* of relevant officials from both UKG and SG representatives. The purpose of the *Working Group* is to support the Board with the implementation of City Region Deals.

These terms of reference will be reviewed annually.

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**CITY REGION DEAL – ANNUAL CONVERSATION
DATE
AGENDA**

1. Welcome and introductions
2. Implementation progress/ draft annual report review
 - Progress against each of the milestones in the implementation plan
 - Do any actions need revising
 - Are there any challenges to overcome
 - Are there any successes to note
 - Review risks and mitigations
 - Have any gaps in the overall City Region Deal package been identified
 - What actions are being taken to address these gaps to ensure outcomes are reached
 - Does the draft annual report reflect progress made
3. Governance and processes
 - How is progress managed and monitored through governance structures
 - How well is this working
4. Finance update
 - What have been the challenges in relation to the flow of financials over the year
 - what have been the risks and how were they overcome
 - has there been progress in achieving private sector leverage
5. Monitoring and evaluation
 - Update on progress of the monitoring and evaluation plan
6. Communications
 - How is awareness of the deal being raised with the public
 - has community engagement been successful
 - When do you expect your annual report to be published
7. Lessons learnt/successes
 - What would you do differently
 - What are the next steps
 - Has the City Region Deal changed behaviours and operating practices
 - How can we further collaborate to drive inclusive growth

[City Region]

City Region Deal

Annual Report *[year]*

Draft outline/template

Contents

Page No.

An Introduction from the Lead Authority Chief Executive/Chairman

City Deal Overview

Geographical Overview

Financial Statement

Governance and Accountability

The Deal *[Key themes information to include specific project information. The themes listed below are examples and so not fixed or exhaustive]*

Energy

Enterprise & Innovation

Transport

Tourism

Housing.....

Outcomes and achievements

Contacts

Follow this link to read the City Deal Agreement: *insert website link*

An Introduction from the Lead Authority Chief Executive/Chairman

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City Deal Overview

- Overview of City Deal*
- Date of Deal signed*
- Overview of local partners*
- Total investment breakdown*
- Number of themes/projects*
- Overview of outcomes*

----- **NEW PAGE** -----

Geographical Overview

- Key themes/project locations*

----- **NEW PAGE** -----

Financial Statement

- Total funding*
- Breakdown of funding*
- Funding variances*
- Percentages*
- Use of infographics*

----- **NEW PAGE** -----

Governance and Accountability

- Delivery and outcomes management*
- Overview of accountability and assurance structures*

----- **NEW PAGE** -----

Energy

- Headline achievements*
- Key milestones and progress*
- Project updates*
- Case studies*
- Use of images/infographics*

----- **NEW PAGE** -----

Enterprise & Innovation

Headline achievements
Key milestones and progress
Project updates
Case studies
Use of images/infographics

----- **NEW PAGE** -----

Transport

Headline achievements
Key milestones and progress
Project updates
Case studies
Use of images/infographics

----- **NEW PAGE** -----

Tourism

Headline achievements
Key milestones and progress
Project updates
Case studies
Use of images/infographics

----- **NEW PAGE** -----

Housing

Headline achievements
Key milestones and progress
Project updates
Case studies
Use of images/infographics

----- **NEW PAGE** -----

Outcomes and achievements

E.g. Over its lifetime, from 20xx to 20xx, the City Deal will deliver X key outcomes:
Outcome 1: 2,000 new jobs created or safeguarded
Use of infographics

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Contacts

Key City Deal team contacts

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