



Scotland Office



Edinburgh and South East Scotland
City Region Deal Partners

29 November 2016

Dear Councillor Ross,

Edinburgh and South East Scotland is a vital part of the Scottish and the UK economy, both economically and culturally. Both Governments were pleased when Local Authorities agreed to work together and to draw in other partners to take a strategic approach to strengthening the regional economy for the long term. Our joint letter of 17 March 2016 recognised the opportunity for a city region deal that will make significant contributions both to economic growth and inclusion.

We have seen some progress since March with a useful series of workshops where officials have held initial discussions around your outline proposals. However we note that we have still not seen a response to the action points identified in the course of those meetings and subsequently shared with your officers. In order to maintain momentum, it is imperative that these discussions continue and that the points raised so far are addressed. This approach is no different from that taken in other recent deals, and is necessary in order to provide a level of understanding and assurance which will allow political and administrative agreement to be reached within both Governments.

The timetable to Spring 2017 has always been an ambitious one and it can only be met if you maintain momentum. In order to reach Heads of Terms, we need to continue with the workshop process so that we can agree a set of well-defined proposals and priorities that clearly demonstrate how a step change in the regional economy can be delivered.

To be clear, the 'Indicative Investment Plan 2017 – 2026' submitted to both Governments on 2 November 2016 does not meet this requirement.

Finally, we can reiterate that both Governments remain committed to agreeing a deal for the Edinburgh and South East Scotland city region when it will come as no surprise to you that in an era of constrained public spending and intense public scrutiny we need to ensure we work to produce proposals which meet the requirements of value for money and good governance.

Officials from both Governments stand ready to work with you to help build on the progress made so far to develop such proposals.



ANDREW DUNLOP
Minister for Scotland

UK Government



KEITH BROWN MSP
Cabinet Secretary for Economy, Jobs and Fair Work

Scottish Government