

Annual Report 2023-24



Stirling &
Clackmannanshire
City Region Deal

StirClacksDeal.com

UNIVERSITY of
STIRLING



**Clackmannanshire
Council**



Scottish Government
Riaghaltas na h-Alba
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Summary



Date Deal Signed

26th February
2020



£90.2 million

Government Funding
Allocation

£5.87m

Total claimed
in 2023



£10.96m

Total claimed
to date



8 Projects in implementation/delivery

5 projects in development

2 programmes in development



13 Business Cases
approved to date

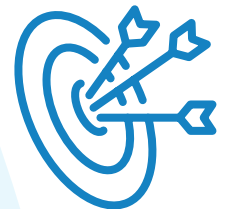


83 jobs
created

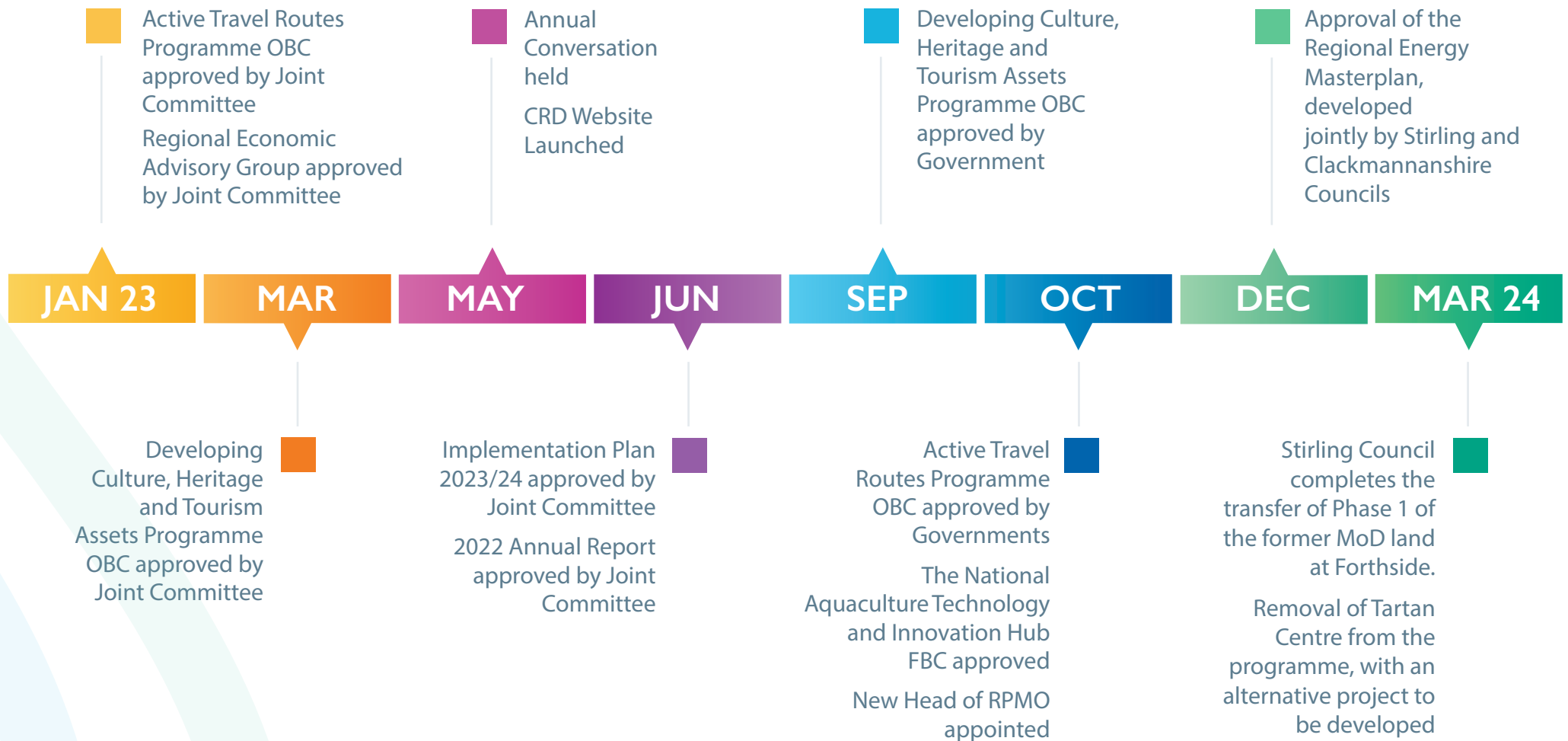
£34.7m
secured leverage/private
investment for region

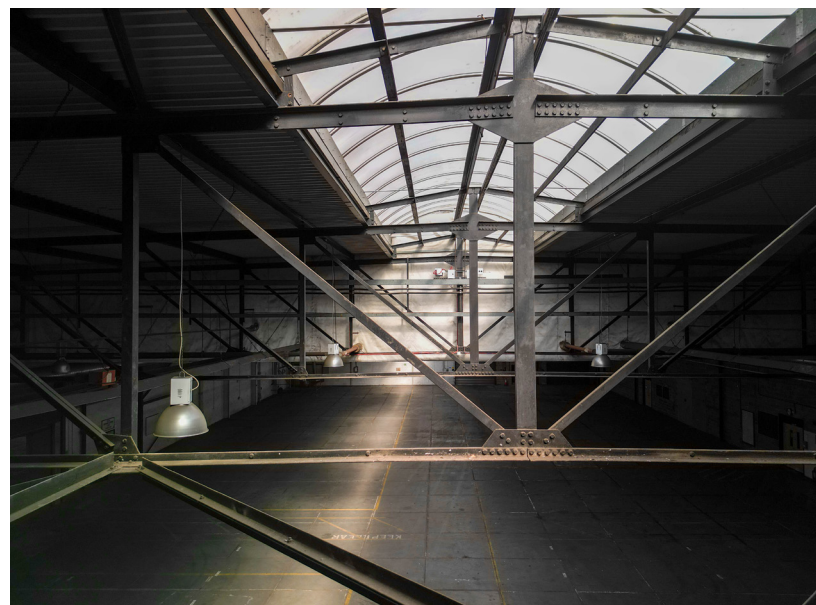


£40.9m
targeted leverage/private
investment for region



Timeline 2023-24





Foreword

We are delighted to introduce the 2023-24 Annual Report of the Stirling and Clackmannanshire City Region Deal. Since signing the Deal in February 2020, we have made great progress with our projects and programmes. Celebrating our third year of the Deal, the partnership is gratified to see that progress has continued within the six thematic areas towards our collective goals. This year's report covers the whole of 2023 and the first three months of 2024. During this period, a further two programmes have been approved and three projects have moved into delivery. It is encouraging to see that, in the face of difficult economic conditions and financial constraints confronting all partners, our resolute commitment to achieving meaningful outcomes for our communities within the range of projects comprised by the Deal, remains unwavering.

Within our Innovation theme, the Full Business Case for the National Aquaculture Technology and Innovation Hub (NATIH), led by the University of Stirling, was approved at Joint Committee and subsequently endorsed by UK and Scottish Governments in October. This allows the project to move forward in 2024. Scotland's International Environment Centre (SIEC), also led by the University, continues to make a considerable contribution in the culture shift towards achieving net zero, with a range of activities including the Young Pathfinders educational outreach programme, as well as the planting of the first trees as part of the ambitious Forth Climate Forest. In May 2023 the University signed an agreement with Developing Young Workforce, requiring contractors to engage with local schools if they are awarded a contract through the University's Deal-related procurement. The Memorandum of Understanding is the first of its kind among City Deal partners in Scotland and could create hundreds of employment opportunities across NATIH, SIEC

and the Intergenerational Living Innovation Hub (ILIH) which will be the University's third project within the Deal.

Under the Infrastructure theme, Stirling Council completed the transfer of Phase 1 of the former MoD land at Forthside at the end of March 2024, unlocking exciting opportunities for the city and the wider region including the creation of thousands of jobs. The site will be transformed into a prime economic location, with the costs met from a £19m grant the council secured from the UK Government's Levelling Up Fund.

There was also positive progress within the Transport, Low-Carbon and Connectivity theme with the approval by Stirling and Clackmannanshire Councils of the Regional Energy Masterplan: a wide-ranging blueprint for delivering net-zero improvements in energy and heating systems across the region. Construction is also continuing on the transformative £9.5m Walk, Cycle, Live Stirling project that is delivering two new walking, wheeling and cycling corridors across Stirling. Completion is expected in late 2024.

Within our Inclusion Workers and Innovation Fund theme, the team of Inclusion Workers continue to support people across Stirling and Clackmannanshire, resulting in participants being supported to gain recognised qualifications. Skills development drop-in sessions in both Stirling and Alloa have been a welcome addition to the programme, providing participants with the opportunity to meet new people and share experiences to build their self-esteem and confidence. The Skills and Inclusion Programme saw both projects continue to support local people to build on their existing understanding and expertise in digital technologies.

The Japanese Garden project has moved from strength to strength. The £750,000 investment in this unique tourist attraction for the region

has delivered significant benefits since the completion of works in March 2023, including an extension to its outreach programme, the creation of 30 jobs and the arrival of 40,000 visitors in 2023. The Culture, Heritage and Tourism Theme is a £15 million fund to support tourism in the region. Projects within this theme are being scoped out for prioritisation in the coming year.

Under the Digital Theme and our Regional Digital Hubs Programme, the first regional hub was housed in the integrated community building within the village of Cowie. Its formal opening is scheduled for 2024. The Clackmannanshire, Stirling and Callander Hubs are being scoped using the latest demand information from the business community.

The Joint Committee continues to provide oversight and make key strategic decisions on the delivery and progress of the Deal. The mix of elected member and University representatives provides a strong range of views and ensures a balanced representation from across all three of our partners.

The unrelenting hard work and dedication of the partnership and its respective teams has contributed to the projects listed, at all stages of their journey. The Deal stands as a testament to their commitment to making a genuine difference to the people, communities and businesses of Stirling and Clackmannanshire. This effort is supported by the Regional Programme Management Office team and is ably directed by colleagues within both the UK and Scottish Governments.

While good progress has been made in many areas of the Deal, rising costs require the close monitoring of existing projects to ensure the

benefits from these are realised. The external landscape has also changed significantly since Covid-19. Business needs have shifted, as we have seen from the latest demand assessments for Digital Hubs, where businesses no longer have the same need for physical digitally connected premises as they now increasingly work remotely.

We must think differently about the shape of the Deal and respond to the changes that have taken place since it was signed.

Like many other Deals, we believe that consolidation is key to maximising impact. Rather than focusing on delivering several lower impact pieces of work, we should consolidate the funding streams into larger, more impactful projects. This will increase the likelihood of attracting private sector investment, providing higher value jobs for the region and realising our vision of developing unique centres of excellence, making Stirling and Clackmannanshire key hubs for Scotland. This will also make our region attractive for inward investment from across the globe, increase job density and bring opportunities for new income streams.

While there will continue to be challenges ahead for all of us in the coming months, the partnership is united and determined to advance the Deal throughout the rest of 2024 and beyond, to the benefit and improved wellbeing of our communities.



**Councillor
Ellen Forson, Leader
Clackmannanshire
Council**



**Councillor
Chris Kane, Leader
Stirling Council**



**Professor
Sir Gerry McCormac
Principal and Vice-Chancellor,
The University of Stirling**

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City Region Deal Overview

The Stirling and Clackmannanshire City Region Deal is an exciting package of investment in innovation, infrastructure and skills intended to drive inclusive economic growth to the city region. The UK Government and Scottish Government will each invest £45.1 million over the lifetime of the ten-year programme. In conjunction with this Government investment, regional partners will invest up to £123.8 million, realising a Deal worth £214 million for Stirling and Clackmannanshire. City Region partners have an ambition that the interventions created by this investment will help regional partners build on their existing strengths and ensure the region is able to deliver on its vision.

The Stirling and Clackmannanshire City Region Deal partnership is driven by Stirling Council, Clackmannanshire Council, the University of Stirling, the Scottish Government and UK Government. The investment offered, by Scottish and UK Governments through the Stirling and Clackmannanshire City Region Deal, is expected to act as a catalyst and accelerator for our ambitious programme. It is designed to unlock investment from within our region and beyond.

| Theme | No of programmes /projects | Total Government Investment |
|--|----------------------------|-----------------------------|
| Transport, Connectivity and Low Carbon | 3 | £7,200,000 |
| Innovation | 4 | £56,250,000 |
| Skills and Inclusion | 3 | £2,000,000 |
| Infrastructure | 1 | £5,000,000 |
| Culture, Heritage and Tourism | 2 | £15,750,000 |
| Digital | 4 | £4,000,000 |



The interventions and approaches within the Deal will deliver inclusive growth to benefit the people and communities across Stirling and Clackmannanshire. The deal was signed on 26th February 2020, and this annual report will summarise the progress made throughout year three, January 2023 – March 2024.

The deal is based around six themes designed to deliver programmes and projects in order to deliver the four strategic outcomes:

Widen access to opportunity through inclusive skills pathways that target those who face exclusion across our region.

Create conditions for businesses to thrive both locally and globally, increase job density and access to opportunity, maximising our regional assets.

Remove barriers to engagement and support inclusion to share prosperity and wellbeing across the region.

Invest in the creation of clean, green innovations, digital entrepreneurship and cultural opportunities to deliver a more diverse regional economy.



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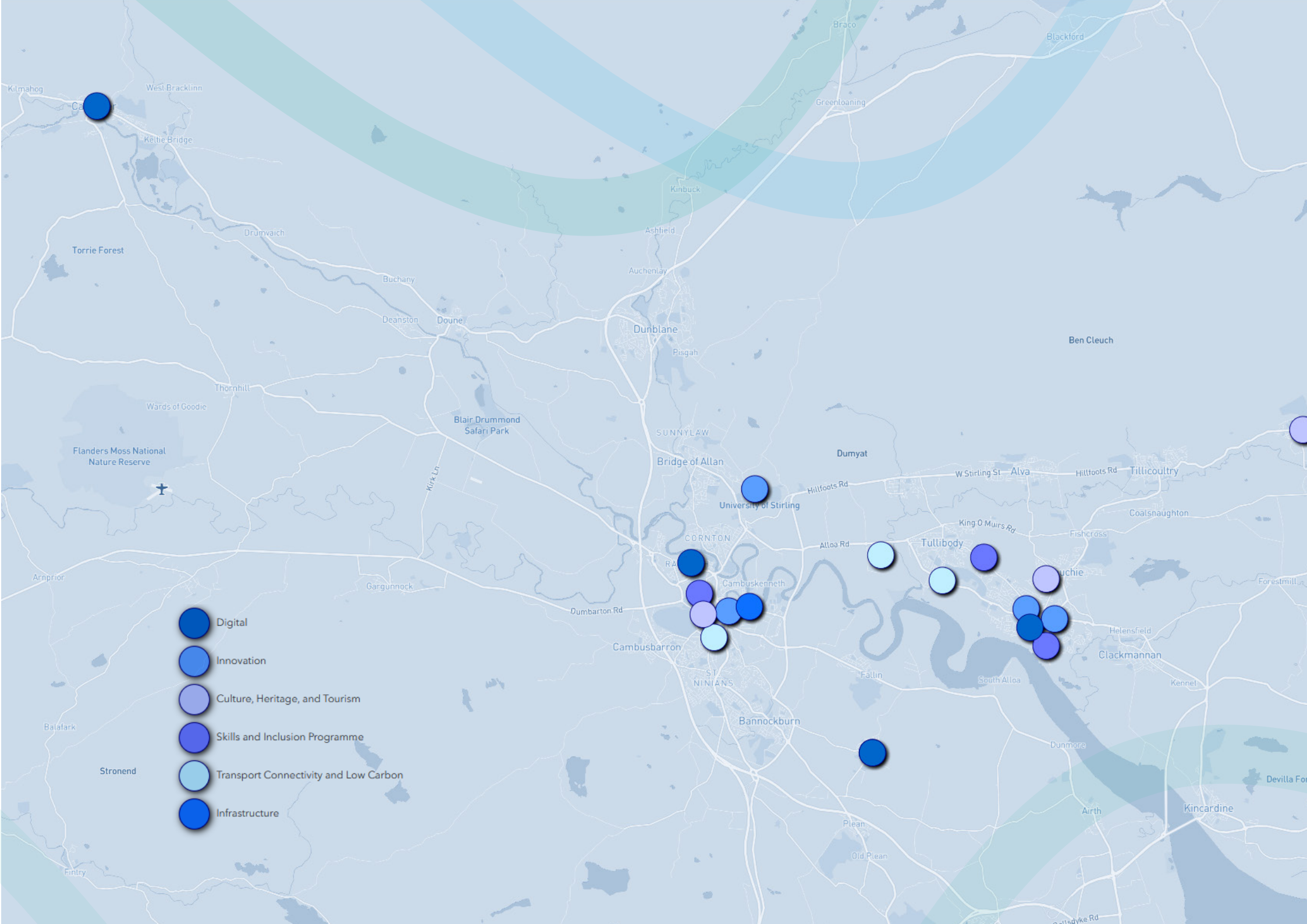
Geographical Overview

The Stirling and Clackmannanshire city region is at the heart of Scotland, with it often being referred to as Scotland in miniature. Natural beauty abounds, with the Loch Lomond and Trossachs National Park to the West, the silvery River Forth to the South and the majestic Ochil Hills rising in the North.

The City Region consists of two local authority areas and has a combined population of approximately 145,000 people. The City Region contributes over £3.6 billion per year to the Scottish and UK economies, with the main economic sectors including tourism, retail, manufacturing and agriculture. It is also home to the University of Stirling, one of Scotland's leading higher educational institutions, and the campuses of Forth Valley College.

The Deal also looks beyond the region, to link up with other City and Growth Deals including Tay City, Edinburgh South and East and Glasgow City. Similarly, through aquaculture, links have been established between the University of Stirling and both the Ayrshire and Argyll & Bute Growth Deals. There are also emerging connections between the Falkirk Growth Deal and our own, which follow the Falkirk Growth Deal signing. The Regional Programme Management Office is fully integrated into the City and Growth Deal network, where good practice is shared and connections are made providing benefits to all.





Financial Statement

Table 1 – Overall Funding Breakdown

| Stirling & Clackmannanshire City Region Deal Financial Summary | | | | | | |
|--|------------------------------|------------------------|----------------------------|-------------------------|------------------------------|----------------|
| Project | Scottish Government (£000's) | UK Government (£000's) | Regional Partners (£000's) | Other Partners (£000's) | Commercial Partners (£000's) | Total (£000's) |
| Total Transport, Connectivity & Low Carbon | 7,200 | 0 | 325 | 24,773 | 0 | 32,298 |
| Active Travel Routes | 4,461 | 0 | 0 | 17,699 | 0 | 22,160 |
| Walk, Cycle, Live Stirling | 2,539 | 0 | 325 | 7,074 | 0 | 9,938 |
| Energy Master Planning | 200 | 0 | 0 | 0 | 0 | 200 |
| Total Innovation | 17,000 | 39,250 | 9,198 | 1,842 | 20,509 | 87,800 |
| The National Aquaculture Technology & Innovation Hub | 0 | 17,000 | 8,158 | 1,842 | 0 | 27,000 |
| Scotland's International Environment Centre (SIEC) | 17,000 | 5,000 | 1,000 | 0 | 10,722 | 33,722 |
| Intergenerational Living Innovation Hub (ILIH) | 0 | 7,250 | 0 | 0 | 9,788 | 17,038 |
| National Tartan Centre | 0 | 10,000 | 40 | 0 | 0 | 10,040 |
| Total Skills & Inclusion | 1,900 | 100 | 0 | 313 | 0 | 2,313 |
| Flexible Skills | 1,503 | 0 | 0 | 0 | 0 | 1,503 |
| Inclusion Workers & Investment Fund | 397 | 0 | 0 | 313 | 0 | 711 |
| Clackmannanshire Lone Parents Programme | 0 | 100 | 0 | 0 | 0 | 100 |
| Total Infrastructure | 0 | 5,000 | 0 | 16,000 | 0 | 21,000 |
| Ministry of Defence Land at Forthside | 0 | 5,000 | 0 | 16,000 | 0 | 21,000 |
| Total Culture, Heritage & Tourism | 15,000 | 750 | 0 | 226 | 786 | 16,762 |
| Developing Cultural, Heritage & Tourism Assets | 15,000 | 0 | 0 | 0 | 0 | 15,000 |
| Japanese Gardens | 0 | 750 | 0 | 226 | 786 | 1,762 |
| Total Digital | 4,000 | 0 | 241 | 1,352 | 0 | 5,593 |
| Stirling Digital Hub | 2,000 | 0 | 0 | 0 | 0 | 2,000 |
| Regional Digital Hub | 2,000 | 0 | 241 | 1,352 | 0 | 3,593 |
| Grand Total | 45,100 | 45,100 | 9,764 | 44,507 | 21,295 | 165,766 |

The overall Deal is worth £214 million with investment of £45.1 million from Scottish Government, £45.1 million from UK Government and a further £123.8 million funding from Third Party Partners. Table 1 below shows the Financial Summary by project for the Deal, based on the most up-to-date financial information.

During 2023, the National Aquaculture and Innovation Hub (NATIH) began claiming funding for its development phase. Scotland's International Environment Centre (SIEC), Walk, Cycle, Live Stirling (WCLS), the Regional Energy Master Plan (REM), the Regional Digital Hub at Cowie, the Flexible Skills project and the Inclusion and Investment Fund project and Japanese Gardens have all continued to draw down funding in 2023. The regional partner leverage position at the end of 2023 has improved to £75.6 million versus £57.2 million at the end of 2022, representing an increase of £18.4 million.

The intention is for more of this funding to become fully secured as additional projects move into a delivery phase. Alongside increasing engagement with partner organisations and businesses, the strong anticipation is that the remaining target of £48.2 million will be met through additional funding avenues.



The following table shows the Financial Summary by project for the Deal, based on the most up-to-date financial information. For the calendar year 2023, the sums claimed from the two governments rose to £5.869 million, from a total of £3.8 million in 2022. However, with more projects moving to development in 2024, the forecast is that the drawdown figure will rise sharply.

Overall, given the Deal commenced in the same year as the Covid-19 outbreak, tremendous strides have been made to secure the funding available from Government and through leveraged funding.

Table 2 – Financial Drawdown Summary

| Stirling & Clackmannanshire City Region Deal Claim position for 2023 | | |
|--|--------------------------------|------------------------------------|
| Project | Grant Claim Totals (£000's) | Grant Available Totals (£000's) |
| Total Transport, Connectivity & Low Carbon | 1,157 | 810 |
| Walk, Cycle, Live Stirling | 1,104 | 745 |
| Energy Master Planning | 53 | 65 |
| Total Innovation | 4,188 | 8,846 |
| National Aquaculture Technology & Innovation Hub | 1,952 | 5,034 |
| Scotland's International Environment Centre (SIEC) | 2,236 | 3,813 |
| Total Skills & Inclusion | 245 | 450 |
| Flexible Skills | 164 | 313 |
| Inclusion Workers & Investment Fund | 81 | 112 |
| Clackmannanshire Lone Parents Programme | 0 | 25 |
| Total Infrastructure | 0 | 5,000 |
| Ministry of Defence Land at Forthside | 0 | 5,000 |
| Total Culture, Heritage & Tourism | 163 | 188 |
| Japanese Gardens | 163 | 188 |
| Total Digital | 116 | 275 |
| Regional Digital Hub | 116 | 275 |
| Grand Total | 5,869 | 15,569 |



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Deal Governance and Management

The Stirling and Clackmannanshire City Region Deal has been in operation since February 2020, underpinned by a suite of governance documents which facilitate management of the programme. The Joint Committee has the ultimate say over key strategic decision-making required to support the Deal and the wider strategy. The Joint Committee is comprised of elected members from Stirling and Clackmannanshire Councils and senior representatives from the University of Stirling, providing a diverse range of views and ensuring representation from across the partnership.

The Regional Programme Management Office (RPMO) meets the UK Government and Scottish Government on a fortnightly basis to discuss progress as well as quarterly to review performance and plan ahead for future activity. Year 3 of the Deal saw the formal adoption of The Regional Economic Advisory Group (REAG). This group provides independent advice and guidance on regional economic development, whilst championing the Deal and other investments, to enable innovation, investment and improved outcomes within the region.



The governance structure of the Stirling and Clackmannanshire City Region Deal is illustrated in the diagram below:



7

Benefits Realisation Plan



The aim of the City Region Deal investment is to deliver sustainable new employment opportunities across a range of sectors as well as unlocking private investment. Every effort is being made to maximise the benefits from the City Deal programmes and projects as described in their business cases. Therefore, a key aspect of managing the Deal is the development of a benefits realisation plan to ensure close monitoring of the benefits being realised as well as providing Scottish Government and UK Government with annual updates in accordance with the progression of the programme.

The tables opposite and below summarise the progress that has been made in realising some of the key benefits for projects which are either completed or entering their respective delivery phases.

Japanese Gardens - Benefits Realisation

| Outcome | | Detail | Target | Total |
|---------|--|---|---------------------------------------|--|
| 1 | Visitors | The Japanese Garden will sustain significantly higher visitor numbers than set out in the original business plan. The garden will secure at least 25,000 visits each year, 375,000 visits over the next 15 years. | 25,000 visitors per annum | 48,830 visitors |
| 2 | Restoration | The Tea House and surrounding area will be restored, recreating the Garden's original boathouse (before the 2022 season). | | Restoration works completed and the Garden Pavilion was opened to the public in 2022 |
| 3 | Employment Opportunities | The Japanese Garden will be able to sustain at least 30 employment opportunities each year (including seasonal workers), at least 450 person-years of employment over 15 years. | 30 employment opportunities per annum | 30 |
| 4a | Shared Prosperity Agenda | The Japanese Garden will work closely with City Region Deal partners to ensure that all the 450 person-years of employment opportunities (over 15 years) are considered within the shared prosperity agenda and inclusive skills ecosystem. | Measurement criteria to be clarified | - |
| 4b | Shared Prosperity Agenda | All employment opportunities will be considered for people on a journey to employment and promoting opportunities for underrepresented groups (working with Clackmannanshire Works and other appropriate organisations to both help identify and access underrepresented groups) | Measurement criteria to be clarified | - |
| 5a | Volunteering, Learning and Work Experience Opportunities | The Japanese Garden will provide at least 500 volunteering, learning and work experience opportunities each year (7,500 opportunities over 15 years). This includes regular garden volunteers, horticultural & work experience students, an extended commitment to focused local community outreach and special interest group activities, as well as a structured programme for school group engagement. | 500 opportunities per annum | 2866 |
| 5b | Volunteering, Learning and Work Experience Opportunities | The Japanese Garden will secure 1,200 volunteer hours each year (18,000 hours over 15 years). | 1,200 volunteer hours per annum | 887 |

Japanese Gardens - Benefits Realisation

| Outcome | | Detail | Target | Total |
|---------|-------------------------|---|---|--|
| 6 | Sustainable Development | Sustainable development will be placed at the heart of the Japanese Garden. Buildings and facilities will be developed with most building materials from sustainable sources from within Scotland. This approach will be embedded in procurement and confirmed in project reports. | - | 14 suppliers from 12 different regional locations contracted |
| 7a | Regional Partnerships | Over the 15 years of the City Region Deal the Japanese Garden will maintain 70 active regional partnerships (including regional businesses, tourism organisations and events to raise the profile of the region). Active partnerships will be maintained through events and activities at the Garden. | Maintain 70 Regional Partnerships over 15 years | 74 |
| 7b | Special Events | Over the 15 years of the City Region Deal the Japanese Garden will hold at least 10 special events each year (150 over 15 years) including weddings, other ceremonies and festivals. This will help to showcase the natural assets of the city region and build repeat tourism. | Host 10 special events per annum | 33 |

SIEC Phase 1 – Benefits Realisation

| Outcome | Detail | Target | Total |
|---------|--|-----------------------|-------|
| 1 | Support organisations enabling the development of innovative environmental, low carbon technologies, products and services. | 300 by 2025 | 19 |
| 2 | Support entrepreneurs to develop cutting edge environmental and low carbon products and services. | 100 by 2035 | 107 |
| 3 | Adopt progressive procurement practices spending at least 38% of SIEC operating costs within the city region. | 38% by 2035 | - |
| 4 | Create jobs within the city region encouraging Fair Work practices. | 125 by 2035 | 41 |
| 5 | Develop industry led collaborations to co-produce innovative environmental management and low carbon solutions. | 100 by 2035 | 23 |
| 6 | Support organisations in the city region to reduce their net carbon emissions. | 300 by 2035 | 38 |
| 7 | Support people to engage in the SIEC skills portfolio enabling access to accredited training in net zero related subjects including environmental management, sustainability and Data Driven Innovation. | 8805 by 2035 | 9 |
| 8 | Provide skills and training opportunities targeting underrepresented groups in the city region Supporting women and people with a disability. | 4403 and 1799 by 2035 | - |
| 9 | Provide inspiring opportunities for employability, school, college and university students to engage with industry on their journey to employment. | 948 by 2035 | 96 |

Ministry of Defence, Forthside – Benefits Realisation agreed within CRD

| Outcome | Detail | Target |
|---------|--|----------------------------------|
| 1 | Direct Land Value Uplift: estimated at £1.4 million after 10 years | £1.4 million in 10 years |
| 2 | Labour Supply Impacts: in the form of Productivity gains of over £10 million due to more productive jobs. This stems from the creation of 1,000 additional jobs over the 30-year appraisal period in the city (these are likely to be of a mix depending on the companies that take space but geared towards light manufacturing, potential for high-value industry) | 1,000 Jobs in 30 years |
| 3 | Amenity Benefits: worth £7.4m as regeneration will follow placemaking principles to opening up the site to existing and new communities, allowing local consultation, as well as improving access to the river and enhancing the natural environment to create improved urban realm. The development will support 180 sustainable and affordable housing units within Forthside. | 180 affordable housing units |
| 4 | Carbon and Energy Savings: as a result of connection to the Forthside District Heat Network that has capacity to distribute sufficient energy to save 255tonnes of CO2 per annum. | Save 255 tonnes of CO2 per annum |
| 5 | Enhancement in Natural Capital: potential to utilise areas of the site(s) and riverside for environmental enhancement, biodiversity gain, carbon capture and flood resilience. | |
| 6 | Social and Recreational Value: that reduces socio-economic inequalities and avoids impacts of blight (site becoming derelict for years to come) and associated economic loss compared to economic activity previously supported through MOD and the defence sector. This includes creation of new residential and business communities, providing a variety of public realm improvements and new active travel network. | |
| 7 | Crime Impacts: a reduction in crime associated with urban decay will avoid economic, fiscal and social costs to the public sector related to that crime. | |

Cowie Regional Digital Hub – Benefits Realisation

| Outcome | Strategic Objective Alignment | Cowie Digital Regional Hub Objectives (over 15 years) | Activities | Indicators |
|---------|---|--|---|--|
| 1 | Shared Prosperity | To enable start-up, existing, and incoming businesses to have access to good quality, digitally enabled, flexible office space which is nearby their preferred location. | High-quality and digitally enabled business space is delivered through the Cowie hub. | 1.1a Sustain an average of 20 Full-Time Equivalent (FTE) jobs through the Cowie hub. 1.1b 10 of these Full-Time Equivalent (FTE) jobs through the Cowie hub covered by Fair Work and Environmental pledges or commitments. 1.2 Over 15 years, 80 start-up companies supported through the Cowie hub. 1.3 Impact on performance of businesses based at the Cowie hub including measurable differences, intended and unintended outcomes. |
| 2 | Higher Value Jobs Inclusive Economic Growth | To provide supportive and collaborative business environments that enable sustainable business development and nourish economic growth. | Business support tailored to digital technology companies is developed and delivered through the Cowie hub | 2.1 Support 150 organisations enabling the development of digital technology within their businesses. 2.2 No of businesses exporting products or services; broken down into markets. 2.3 Support 15 entrepreneurs to develop innovative digital products and services. 2.4 Impact on organisations receiving support including measurable differences, intended and unintended outcomes. |
| 3 | Inclusive Economic Growth Inclusive Skills Ecosystem | To ensure that inclusive growth is delivered by optimising contributions to skills and inclusion by all business support interventions. | Strong regional skills pathways will be developed to ensure that our most excluded communities can access a streamlined educational journey and inclusion support to realise their potential. | 3.1a Support 800 people from the communities around Cowie to enable access to skills and training in digital technology related subjects including digital skills and data driven innovation. 3.1b Provide skills and training opportunities targeting underrepresented groups in the city region supporting 400 women and 1,000 people with a disability. 3.2a Provide 250 inspiring opportunities for employability, school, college and university students to engage with the digital technology industry on their journey to employment. 3.2b Provide inspiring opportunities for employability, school, college and university students to engage with the digital technology industry on their journey to employment for 125 women and 50 people with a disability. 3.3 Impact on performance of businesses based at the Cowie hub including measurable differences, intended and unintended outcomes. |

Inclusion Workers & Investment Fund – Benefits Realisation

| Outcomes | Strategic Objective Alignment | Detail | Target |
|----------|---|---|--------|
| 1 | Shared Prosperity: Remove barriers to engagement and support inclusion to share prosperity and wellbeing across the region | Number of people receiving support from inclusion workers | 245 |
| 2 | | Number reporting gains in soft outcomes | 160 |
| 3 | | Number reporting barrier alleviated | 80 |
| 4 | | Number participating in accredited learning | 80 |
| 5 | | Number progressing from Inclusion Worker Project to employability support | 105 |

Led by Professor Mirko Moro at the University of Stirling and in collaboration with the Stirling RPMO, a benefits framework is being designed to give a consistent approach to benefit monitoring not only within the Stirling & Clackmannanshire City Region Deal programmes and projects, but with the potential to be rolled out across all Region Deals. The graphic below outlines the approach underpinning this work, with a more complete framework due for reporting in early 2024.



1

DRIVERS

- Strong digital economic base in Stirling
- Strong culture heritage and tourism offer
- World leading University in areas including environmental protection, technologies and change
- Home to the UK's leading centre for aquaculture research (University of Stirling)
- Areas of low job density
- Low quality, low value jobs
- Community exclusion (neighbourhood level)
- Groups across the region experiencing inequality



2

DEAL OUTPUTS

- Scotland's International Environment Centre
- The National Aquaculture Innovation and Research Hub
- Stirling Digital District & Regional Digital Hubs
- Culture Heritage and Tourism Programme
- Capital Fund for Clackmannanshire
- CRD Skills and Inclusion investment
- CRD Transport, Connectivity and Low Carbon investment
- CRD Infrastructure investment
- The National Tartan Centre (project cancelled, alternative innovation project being identified)

3

ENABLERS

- Regional Economic Strategy*
- Regional Procurement Strategy*
- Regional Skills Strategy*



4

STRATEGIC OUTCOMES

- Inclusive economic growth
- Higher value jobs
- Shared prosperity
- Inclusive skills ecosystem



Whilst there are many benefits the City Region Deal will provide, all programmes and projects are aligned and will be evaluated in accordance with our four key strategic outcomes, described in more detail using our SMART Strategic Objectives:

| Strategic Outcomes | SMART Strategic Objective |
|--|---|
| Inclusive Economic Growth (IEG) Create conditions for businesses to thrive both locally and globally, increase job density and access to opportunity, maximising our regional assets | <ol style="list-style-type: none"> 1. We will create conditions for businesses to be more resilient and thrive both locally and globally 2. We will support the creation and retention of jobs promoting Fair Work 3. We will maximise our regional assets to increase the economic impact of visitors on our regional economy 4. We will support our regional supply chain through the use of progressive procurement |
| Higher value jobs (HVJ) Invest in the creation of clean, green innovations, digital entrepreneurship and cultural opportunities to deliver a more diverse regional economy | <ol style="list-style-type: none"> 1. We will support an increase in the proportion of jobs within the region offering the Real Living Wage or higher 2. We will support an increase in entrepreneurship and business start-ups across the region 3. We will support an increase of the number of higher value jobs within the region as a proportion of all jobs |
| Shared prosperity (SP) Remove barriers to engagement and support inclusion to share prosperity and wellbeing across the region | <ol style="list-style-type: none"> 1. We will support improving access to employment and Fair Work opportunities particularly for communities facing exclusion within the region 2. We will support improving access to employment and Fair Work for people within the region currently facing labour market exclusion due to specific circumstances or characteristics 3. We will reduce the region's dependence on fossil fuels and diversify our approach to its energy requirements 4. We will deliver our projects in accordance with the shared regional commitment to a net zero economy |
| Inclusive skills ecosystem (ISE) Widen access to opportunity through inclusive skills pathways that target those who face exclusion across our region | <ol style="list-style-type: none"> 1. We will support the creation of a range of educational opportunities for employability, school, college and university students to engage with industry supporting their journey to employment 2. We will support improved access to skills, education and training opportunities for those who face exclusion or are at risk of exclusion from the labour market 3. We will provide opportunities for under-represented groups in key industries within the City Region Deal |

The information collated at project level will then contribute to the Deal level analysis carried out under the Monitoring and Evaluation Framework on an annual basis. This will enable the partnership to evidence its performance and contribution to inclusive growth across the region and assess the impact of the total investment.

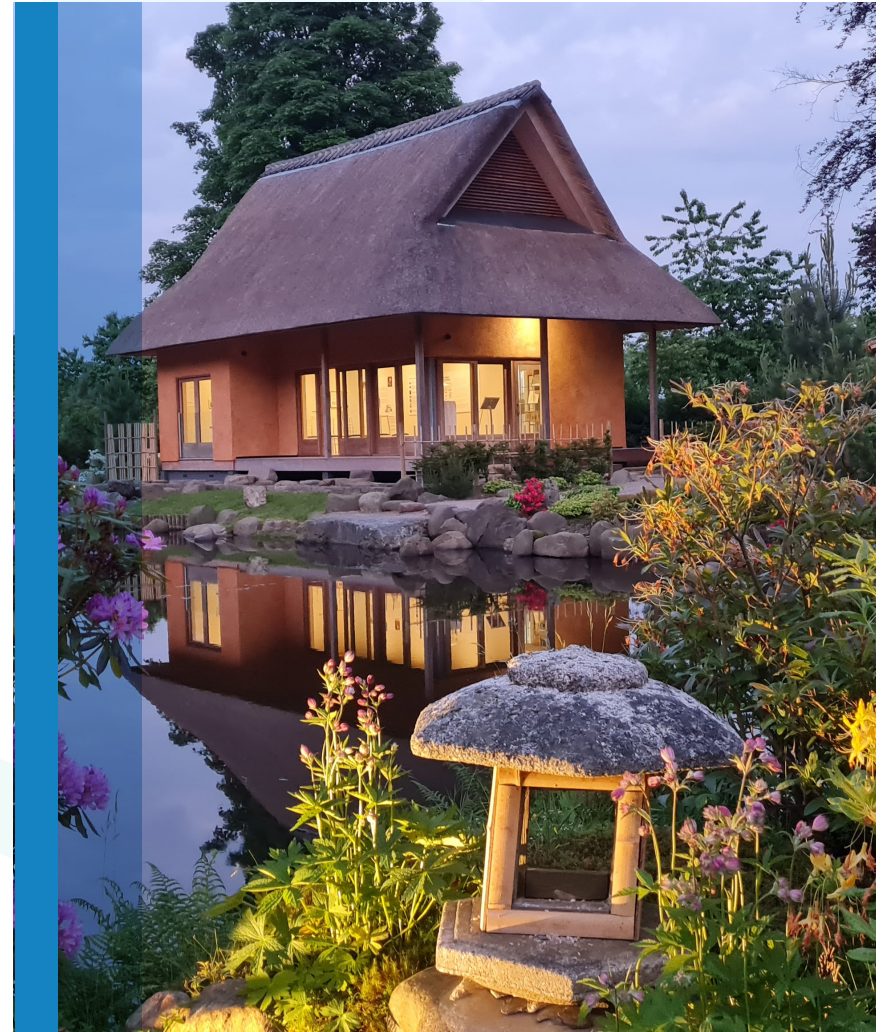
The outcomes of this will be reported through the Annual Report and discussed at the Annual Conversation, attended by the RPMO, representatives of all three partners and Scottish and UK Governments.



8

Progress To Date

Building on the significant progress outlined in 2022's Annual Report, the Stirling and Clackmannanshire City Region programme continued with the positive working approach adopted by the partners to address significant external factors and challenges affecting the Deal throughout 2023 and early 2024, none more so than the ongoing economic conditions. The partners, RPMO and both governments, remain committed to mitigate these challenges. Year 3 has seen continued advancement of the Deal's aims, with a further two programmes approved, and eight projects now in the implementation/delivery phase.



| Theme | Programme/Project | Stage |
|--|--|---|
| A. Transport, Connectivity & Low Carbon | Active Travel | OBC in development |
| | Walk, Cycle, Live Stirling | Implementation (Delivery) |
| | Energy Master Planning | Completed |
| B. Innovation | National Aquaculture Technology and Innovation Hub | Implementation (Delivery) |
| | Scotland's International Environment Centre (SIEC) Phase 1 | Implementation (Delivery) |
| | Scotland's International Environment Centre (SIEC) Phase 2 | In progress |
| | Intergenerational Living Innovation Hub | In progress |
| | The National Tartan Centre | Project cancelled, alternative project being identified |
| C. Skills and Inclusion | Flexible Skills | Under review |
| | Inclusion Workers and Investment Fund | Implementation (Delivery) |
| | Clackmannanshire Lone Parent Programme | Under review |
| D. Infrastructure | Ministry of Defence Land at Forthside | Implementation (Delivery) |
| E. Culture, Heritage and Tourism | Developing Culture, Heritage and Tourism Assets | Under review |
| | Japanese Gardens | Completed |
| F. Digital | Stirling Digital Hub | Under review |
| | Regional Digital Hub – Cowie | Project completed |
| | Regional Digital Hub – Callander | Under review |
| | Regional Digital Hub – Clackmannanshire | Under review |

A Transport Connectivity and Low Carbon

1. Active Travel Programme

| Lead Partners | | Stirling Council | | | Clackmannanshire Council |
|---------------------|---------------|-------------------|--|----------------|--------------------------|
| Scottish Government | UK Government | Regional Partners | | Other Partners | Total funds |
| £4,461,000 | - | - | | £17,699,000 | £22,160,000 |

| Headline Achievements | Next Milestone |
|--|--|
| <ul style="list-style-type: none"> • Programme Outline Business Case endorsed by Scottish Government and approved by SCCRD Joint Committee • Appointment of professional services to take forward design on priority routes – Dunblane to Causewayhead and Alloa to Springkerse, supported by Sustrans Places for Everyone funding | <ul style="list-style-type: none"> • Development of the individual business cases for each route • Review of the priority routes and programme for delivery • Progress applications to Sustrans for follow on funding for next stage of design work |

The strategic vision for the Active Travel Routes Programme is for Stirling and Clackmannanshire to be an exemplar for active travel culture as we collectively seek to address the global climate emergency. The Active Travel Routes Programme, and the schemes within, will be a key component of the active travel network in the Deal area. The Programme will deliver a step change in active travel culture, making travel by walking, cycling, and wheeling for people of all ages and abilities easier in Stirling, Clackmannanshire, and beyond.





The Active Travel programme is an investment in new dedicated walking, cycling, and wheeling infrastructure. Improving active travel options in Stirling, Clackmannanshire, and the wider region, specifically connecting communities and public transport destinations to further and higher education facilities, will encourage those travelling to those destinations to choose active travel rather than the car. The Stirling and Clackmannanshire CRD also highlights the economic importance of investment in active travel, recognising its ability to improve regional connectivity between local authority areas and among rural communities, providing better access to employment and education as well as increasing tourism opportunities with connections to existing National Cycle Network.

This year, work has focused on approval of the Programme Outline Business Case. This was approved by Joint Committee and the Business Cases are being developed for the first two routes: Dunblane to Causewayhead, and Alloa to Springkerse.



2. Walk Cycle Live Stirling

| Lead Partner | | Stirling Council | | |
|---------------------|---------------|-------------------|----------------|-------------|
| Scottish Government | UK Government | Regional Partners | Other Partners | Total funds |
| £2,539,000 | - | £325,000 | £7,074,000 | £9,938,000 |

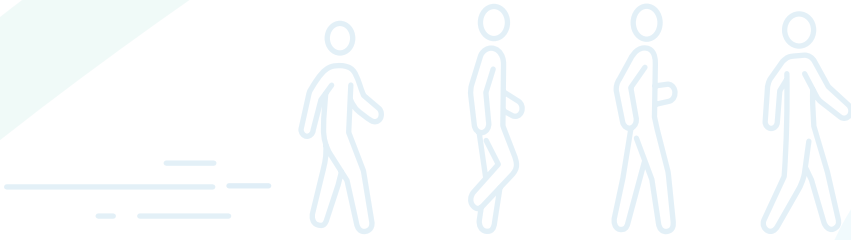
| Headline Achievements | Next Milestone |
|---|--|
| <ul style="list-style-type: none"> Route completed from Raploch Road south to Dumbarton Road Route completed from Wallace High to the bottom of Causewayhead Road | <ul style="list-style-type: none"> Construction completion by end of 2024 |

The Walk, Cycle, Live Stirling (WCLS) scheme will form a vital part of Stirling's developing Active Travel Network, making travel by walking, cycling, and wheeling for people of all ages and abilities easier on Stirling's streets.

The scheme represents an investment in more than 6.5km of dedicated walking, cycling, and wheeling infrastructure. Improving active travel options around the city, specifically connecting public transport destinations to further and higher education facilities will encourage those travelling to these critical destinations to choose active travel. Achieving the shift to active travel will reduce road traffic, lower carbon emissions in line with the climate emergency, while providing a healthier and more cost-efficient mode of transport for users.

The Walk Cycle Live Stirling project is currently in construction and the £10 million project will deliver an extensive network of new walking, wheeling and cycling links across the city. The project is being funded through the City Region Deal and Sustrans Places for Everyone funding.





The project is creating two major routes:

Route 1: will provide a safe and accessible route between Stirling Train station and the University of Stirling, taking in iconic landmarks like Old Stirling Bridge and the National Wallace Monument along the way.

Route 2: aims to bridge the gaps between Forth Valley College and the City Centre along Albert Place, Dumbarton Road and Raploch Road, passing under the impressive shadow of Stirling Castle.

The construction of both routes has progressed significantly this year. Delays to the programme have been experienced however completion of the full project is expected by end of 2024.

3. Regional Energy Masterplan

| Lead Partner | | Stirling Council | | | Clackmannanshire Council |
|---------------------|---------------|-------------------|--|----------------|--------------------------|
| Scottish Government | UK Government | Regional Partners | | Other Partners | Total funds |
| £200,000 | - | - | | - | £200,000 |

| Headline Achievements | Next Milestone |
|--|--|
| <ul style="list-style-type: none"> • Met Local Heat and Energy Efficiency Strategy (LHEES) statutory order obligations • Creation of twin data model • Stakeholder engagement and public consultation • Regional Energy Master Plan approved City Region Deal Project Complete | <ul style="list-style-type: none"> • The Regional Energy Masterplan is now complete - projects will be funded and progressed outwith the City Region Deal |

The Regional Energy Masterplan (REM) for the Forth Valley area is central to the Stirling and Clackmannanshire City Region response to the global climate emergency. Energy consumption is the largest contributor of the region's carbon emissions: the development of this masterplan is therefore critical to our strategy for tackling this issue.

The City Regional Deal allocated £200,000 of funding to provide a Regional Energy Masterplan for the Stirling and Clackmannanshire Regions. The REM has produced a prioritised



programme of future low- carbon energy projects. It provides a strategic overview of the wider city region, assessing energy consumption needs and opportunities to assist in the ongoing transition to a low carbon region in the heart of Scotland, focusing on the key areas of:

- Energy Efficiency
- Heat Management
- Renewable Generation
- Sequestration

The projects, interventions and activities identified within the REM will be staged over a 22-year programme, in five-year phases. Projects are prioritised based on agreed weightings, in line with local and national priorities and targets. Socio-economic assessments ensure investment in infrastructure that brings direct benefits to our communities, including fuel poverty reduction, carbon emissions reduction and regeneration of localities, as well as providing a more resilient and reliable energy supply.

Public consultation was undertaken throughout August and September, and feedback has been incorporated into the final version. Scottish Government has confirmed that it is satisfied

that Stirling and Clackmannanshire councils have met their LHEES statutory obligations. The plan was approved on the 7th of December 2023.



B Innovation

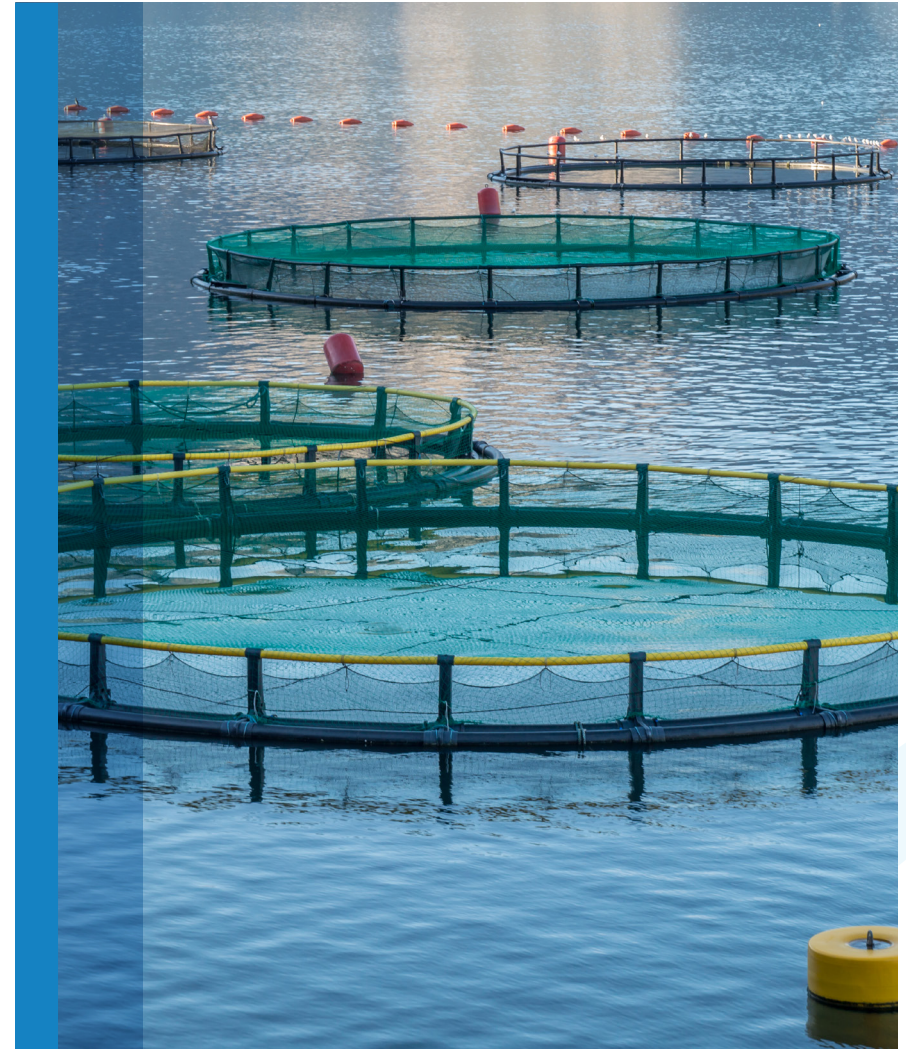
1. The National Aquaculture Technology and Innovation Hub (NATIH)

| Lead Partner | | University of Stirling | | |
|---------------------|---------------|------------------------|----------------|-------------|
| Scottish Government | UK Government | Regional Partners | Other Partners | Total funds |
| - | £17,000,000 | £8,158,000 | £1,842,000 | £27,000,000 |

| Headline Achievements | Next Milestone |
|---|---|
| <ul style="list-style-type: none"> • RIBA Stage 4b Work package market testing completed – June 2023 • Full Business Case endorsed by UK and Scottish Governments – October 2023 • Building Contract Execution commences (including instruction of Section 1- Enabling Works) – November 2023 • Site Mobilisation commences – November 2023 • Full Business Case approved at Joint Committee – October 2023 • Commencement of Work - December 2023 • RIBA Stage 5 construction commences – January 2024 • Instruction of Section 2 & 3 Works commence – February 2024 | <ul style="list-style-type: none"> • Open 2025 |

The Full Business Case (FBC) for the National Aquaculture Technology and Innovation Hub (NATIH) was approved by Joint Committee 3rd October and subsequently received formal endorsement from both UK and Scottish Governments on 18th October 2023.

This pivotal milestone has propelled the NATIH project into the delivery stage, marked by the development of a three-phase construction programme: the initial phase comprising enabling works and demolition, followed by the base build along with mechanical and engineering infrastructure, and culminating in the installation of the specialist aquaculture system. This well-structured approach ensures a systematic and efficient execution of the project's components. Construction will commence in the spring of 2024 with the building in use by 2025.



2. Scotland's International Environment Centre (SIEC) Phase 1 & 2 (£5 million)



| Lead Partner | | University of Stirling | | | Clackmannanshire Council | |
|---------------------|---------------|------------------------|--|----------------|--------------------------|--|
| Scottish Government | UK Government | Regional Partners | | Other Partners | Total funds | |
| £9,704,000 | 5,000,000 | £1,000,000 | | £2,556,000 | £18,260,000 | |

| Headline Achievements | Next Milestone |
|--|--|
| <ul style="list-style-type: none"> Data Centre contract signed August 2023 Schedule of work agreed with Data Centre provider | <ul style="list-style-type: none"> Data Centre Landing Zone build completed – March 2024 |
| <p>Forth Environmental Resilience Array (Forth-Era):</p> <ul style="list-style-type: none"> Commence deployment of sensors – April 2023 Commence deployment of operational Earth observation data products – September 2023 | <ul style="list-style-type: none"> Commence 3DEO Visualisation & Multi Dashboard Development – March 2024 |
| <p>Business Accelerator</p> <ul style="list-style-type: none"> Establishment of collaborative innovation challenges and multi-channel pipeline of emerging entrepreneurs – April 2023 Establishment of collaborative innovation challenges – April 2023 Young Pathfinders Programme has expanded in its third year to include more schools in the Stirling area | <ul style="list-style-type: none"> Deliver training for carbon accounting and net zero carbon accounting for SMEs in the region |

In its second year of delivery, Scotland's International Environment Centre is actively advancing its mission to address the global climate emergency and promote inclusive growth.

In doing so, SIEC has made substantial advancements instilling a transformative culture shift towards achieving net zero. Highlights include the Young Pathfinders educational outreach programme, and its associated Climate Competition, alongside the ambitious Forth Climate Forest. Taken together, these success stories demonstrate SIEC's commitment to creating an international exemplar of a net zero regional economy in the Forth Valley."

Young Pathfinders programme

The Young Pathfinders educational outreach programme concluded its second year with the annual climate competition on 13th June 2023 at Forth Valley College, Alloa. This year's competition winners Ben Moore and Ross McNally from Alloa Academy, who designed an innovative solution addressing the critical issue of food poverty. In recognition of their win, the school has been donated a Hydroponic Growing kit, a valuable resource poised to propel the development and implementation of their pioneering solution. The win was recognised and celebrated in the Scottish Parliament.



As we embark on the programme's third year, participants can look forward to an array of engaging and interactive events, including the popular 'Meet the Scientists' event held on the University campus, an immersive outdoor learning experience at Gartmorn Dam, and a cutting-edge AI session in partnership the SIEC Data Centre providers, Phoenix Software, designed to explore the boundaries of technological innovation.

SIEC's commitment to expansion remains unwavering, as the programme extends a warm welcome to more schools in the Stirling and Clackmannanshire areas, ensuring an even broader reach and impact.

3. SIEC phase 2 (£7.296 million) & Intergenerational Living Innovation Hub

| Lead Partner | | University of Stirling | | | Clackmannanshire Council | |
|---------------------|---------------|------------------------|--|----------------|--------------------------|--|
| Scottish Government | UK Government | Regional Partners | | Other Partners | Total funds | |
| £7,296,000 | £7,250,000 | - | | £17,954,000 | £32,500,000 | |

| Headline Achievements | Next Milestone |
|--|--|
| <ul style="list-style-type: none"> Comprehensive feasibility and options appraisal has been successfully completed and several sites have been identified for further exploration in September 2023 Establishment of a collaborative Partnership Group has been formalised to spearhead the co-development of an 'Alloa Innovation Campus' in September 2023 | <ul style="list-style-type: none"> Submission of a Formal Change Control Request to consolidate funding streams into one programme for an Alloa Innovation Campus - March 2024 Cost analysis to evaluate financial considerations, development strategies and potential phasing options - to be completed early 2024 OBC submitted – March 2025 |

Substantial progress has been achieved in advancing the concept of an Alloa Innovation Campus, which will bring together ILIH, the second phase of SIEC and Clackmannanshire's Digital Hub and Culture, Heritage & Tourism projects. Combined, the three projects focus on addressing two of society's biggest challenges: an ageing population and climate change. The Alloa Innovation Campus will form a cornerstone of the innovation campus model, anchored in the town centre transformation zone, and supporting the use of other assets including the college campus and school learning estate.

It will create a research and development platform that will



respond to the ageing population, transforming the narrative from one of challenge to opportunity. Using pioneering novel approaches to ways of living, working, and socialising, the Campus will develop solutions that enhance well-being as we age, provide access to skilled work, and drive inclusive economic growth. It will incorporate state-of-the-art infrastructure and a development zone that will enable businesses to embrace the opportunities presented by an ageing population by undertaking at-scale research product and service development and testing, skills development, and training.

It will build on the first phase of SIEC to deliver a transformational change in business practice in order for the protection and enhancement of natural resources to become an enabler of economic prosperity, just transition and wellbeing. The Campus is also expected to support innovation at the intersection between environmental and demographic sustainability and resilience, and in wider related sectors including health & social care.

The completion of the comprehensive feasibility study and options appraisal marks a pivotal milestone in the project. Multiple sites have now been identified for further exploration. Moving forward into 2024, an engagement plan will be developed to include the third sector, business and local health and social care providers.



4. The National Tartan Centre

| Lead Partner | | Stirling Council | | |
|---------------------|---------------|-------------------|----------------|-------------|
| Scottish Government | UK Government | Regional Partners | Other Partners | Total funds |
| - | £10,000,000 | £40,000 | - | £10,040,000 |

| Headline Achievements | Next Milestone |
|--|--|
| <ul style="list-style-type: none"> Finalisation of OBC – March 2024 | <ul style="list-style-type: none"> Alternative project to be developed and a change request submitted to Joint Committee and Government for approval by March 2025. |

Investment through the innovation theme of the City Region Deal included a Stirling based National Tartan Centre.

Work during the year focused on the development of an Outline Business Case which was completed in March 2024. The report highlighted the lack of financial viability of the project, the significant funding gaps associated with capital cost of delivering the project, and the further affordability gaps associated with ongoing operational revenue expenditure for a project of this nature. Due to the considerable capital and revenue funding gaps, it was not possible to determine a positive business case. After consideration of the business case by the CRD Joint Committee, the project has been removed from the Deal programme.

An alternative project will now be developed within the innovation theme of the City Region Deal, for consideration by CRD Joint Committee and UK and Scottish Government by March 2025.

C Skills & Inclusion Programme

1. Flexible Skills

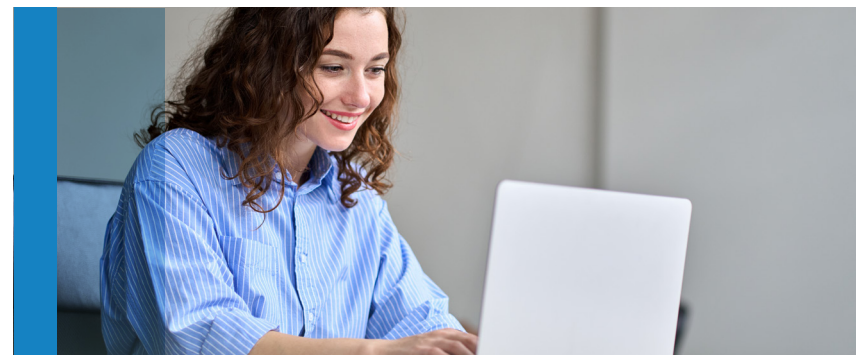
| Lead Partner | | Clackmannanshire Council | | |
|---------------------|---------------|--------------------------|----------------|-------------|
| Scottish Government | UK Government | Regional Partners | Other Partners | Total funds |
| £1,503,000 | - | - | - | £1,503,000 |

| Headline Achievements | Next Milestone |
|---|---|
| <ul style="list-style-type: none"> Skills Pathway Plans completed Delivery methodology proposed to UK and Scottish Governments for review | <ul style="list-style-type: none"> Approved delivery Methodology by May 2024 |

Inclusive Growth lies at the heart of the Deal. This project will drive inclusive growth and tackle inequality, through growing local talent and providing new opportunities and routes into employment for people across the region.

The project utilises funding to deliver support, linked to the Deal's capital projects and associated sectors in the wider Deal, to 500 people across the region facing or experiencing labour market exclusion. In addition, it supports strategic approaches across the Deal which will influence the wider regional skills and employability system in response to the opportunities and changes in local labour market structures that will result from the Deal and wider changes in the regional economy.

The City Region Deal Skills Lead is now in post and is building networks across the region, progressing with Skills Pathways Plans work and looking at opportunities for skills development across the region.



The key process embedded in the project which will determine specific activity is the development of Skills Pathways Plans. These plans, which will be owned and led by individual Deal projects with support from the Flexible Skills Programme, will ensure that skills interventions are developed and delivered which maximise the skills opportunities of:

- infrastructure project delivery,
- the ongoing use of that infrastructure project,
- the wider opportunities the infrastructure project creates for the region and
- a legacy to support the skills required for the wider inclusive economic growth stimulated by the Deal.

Consultancy work is underway to complete the regional level work for Skills Pathways Plans.

The following programme activities have been undertaken over the last period:

- Several digital skills programmes were completed in the early part of the year, delivered through private and community sector partners. The programmes supported local people to build on their existing understanding and expertise in digital technologies to strengthen their skills and experience in the context of future job market opportunities.

- Work continued on the development of City Region Deal Project's Skills Pathway Plans through in-depth analysis of the occupational categories required by projects for future workforce planning. This work included analysis of skills provision as it related to schools, college and university across the region; representation levels across individuals and communities facing challenges in the regional labour market; labour market projections over the coming years; and Scottish Credit and Qualifications Framework attainment levels. A Skills Pathway Plan Report, providing specific pathway plans for City Region Deal projects, will be available in the early months of 2024.
- Consultations and development activities on the introduction of a Flexible Skills Fund were undertaken across skills and employment stakeholders throughout the year. Work continues on the establishment of the fund that would be available to City Region Deal projects and the broader skills and employment sector to establish projects that support the priority employment themes across the City Region Deal.
- Networking and connection activities continued across the region with Local Employability Partnerships, Employer Engagement Forum, service provider networks and a number of City Region Deal partners and broader stakeholders.

2. Inclusion Workers and Investment Fund

| Lead Partner | | Stirling Council | | | Clackmannanshire Council |
|---------------------|---------------|-------------------|----------------|-------------|--------------------------|
| Scottish Government | UK Government | Regional Partners | Other Partners | Total funds | |
| £397,000 | - | - | £313,000 | £711,000 | |

| Headline Achievements | Next Milestone |
|---|--|
| <ul style="list-style-type: none"> • Adult Achievement award • Weekly drop in sessions • Partnership working | <ul style="list-style-type: none"> • Benefits realisation |

The project enables a team of 'Inclusion Workers' to identify and support people most distant from the labour market who are not yet ready to engage with mainstream employability provision. The project is fully implemented with a team of four Inclusion Workers supporting people across Stirling and Clackmannanshire. At the end of November 65 participants have been supported against a target of 70. Some of the achievements from this year are highlighted below.

Several Inclusion Programme participants have used their experiences to successfully gain an Adult Achievement Award at SCQF level 2 and 3. Adult Achievement Awards encourage

participants to reflect on their learning and produce a journal detailing the impact of their experiences and the differences this has made. One participant used their learning in an adult literacy class and his volunteering at Food Train to successfully gain his qualification. Another used his learning around travelling independently in buses and trains to demonstrate his progress to successfully gain his qualification.





Weekly drop-in sessions at the Crawford Hall in Braehead, Stirling and the Speirs Centre in Alloa have been a welcome addition to the City Region Deal Inclusion programme providing participants with the opportunity to meet new people, build their self-esteem and confidence, develop communication skills and learn new skills.

Successful partnership working with organisations across Stirling and Clackmannanshire has enhanced opportunities for inclusion participants. Joint work with Clackmannanshire Economic Regeneration Trust is supporting participants access the right provision for them avoiding duplication of services with Inclusion project staff supporting the delivery of the THRIVE to Keep Well Programme supporting participants to improve their mental health and wellbeing.





3. Clackmannanshire Lone Parent Programme

| Lead Partner | | Clackmannanshire Council | | |
|---------------------|---------------------|--------------------------|----------------|-------------|
| Scottish Government | UK Government (DWP) | Regional Partners | Other Partners | Total funds |
| - | £100,000 | - | - | £100,000 |

| Headline Achievements | Next Milestone |
|--|---|
| <ul style="list-style-type: none">Proposal submitted to UK and Scottish Governments to share with Department of Work and Pensions (DWP) for approval | <ul style="list-style-type: none">Feedback from DWP on proposal in 2024 |





The project aims to build on the work of the Clackmannanshire Local Outcomes Improvement Plan strengthening our inclusion offer. It will enable work to support lone parents, an identified target group, through delivery of targeted employability support to people in Alloa South & East. This fund will flow from the Department of Work and Pensions to Clackmannanshire Council.

Consultations across stakeholders are currently ongoing to ensure that programme support is complementary to existing services provided to lone parents in Alloa South & East as well as avoiding any duplication of local service provision. Models being considered include accredited skills acquisition linked to hands on work experience with local employers providing flexible workplace opportunities.



D Infrastructure

1. Ministry of Defence Land at Forthside

| Lead Partner | | | | |
|---------------------|---------------|-------------------|----------------|-------------|
| Stirling Council | | | | |
| Scottish Government | UK Government | Regional Partners | Other Partners | Total funds |
| - | £5,000,000 | | £16,000,000 | £21,000,000 |

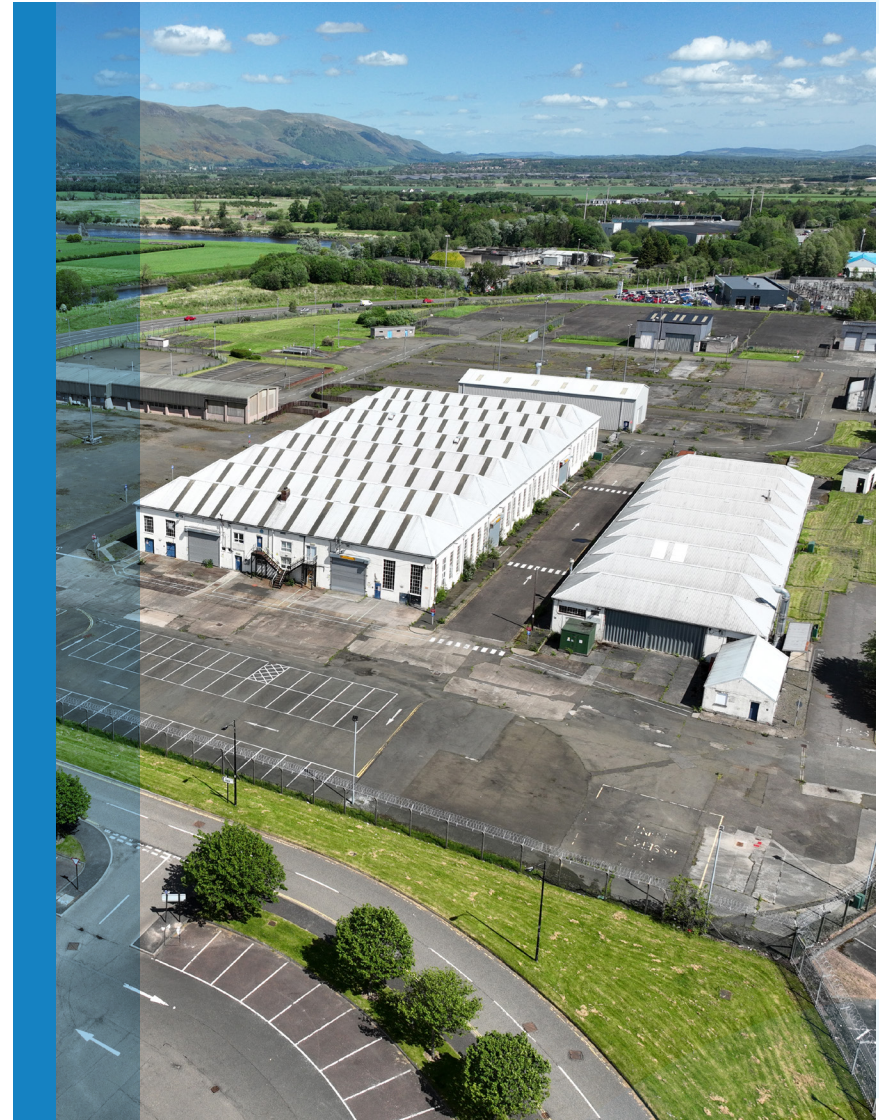
| Headline Achievements | Next Milestone |
|---|---|
| <ul style="list-style-type: none"> • Levelling Up Funding secured • SOC approved by Joint Committee and Government • Outline Masterplan Vision created and agreed at Council • Transfer of first phase of land completed (March 2024) | <ul style="list-style-type: none"> • MOD to complete decontamination work during 2024 • Transfer of Phase 2 (final phase) of land by March 2025 |

The development of the Forthside Ministry of Defence site will unlock a significant mixed-use development opportunity, the scale of which has not yet been realised in Stirling for a generation. The site, at just over 36 acres, is the largest brown-field site close to the city centre area. This presents a unique opportunity for Stirling to deliver a sustainable development which combines carbon neutral city centre living with dynamic business and leisure space. The positioning of the site will provide a catalyst for wider placemaking opportunities and transform a key district of the city.

The site - strategically located between two of the main corridors into the city - has good access links. However, given recent use as a base by the Ministry of Defence, the value it adds to the city is currently extremely restricted. Proximity to Stirling's district heating system and Stirling rail and bus stations will make this one of Stirling's most sustainable developments.

This year, negotiations continued between Stirling Council, MOD Estates and the UK Government on the arrangements for the decommissioning and transfer of the land. These progressed positively with all parties to ensure the completion of the land transfer in March 2024. The Strategic Outline Case for the land transfer has also been approved by the Joint Committee. A programme has been developed to fit in with the LUF timescales and the project is progressing at pace. An updated masterplan for the site was also developed, consulted on and then approved by Stirling Council in March 2024, with a design guide for the area also to be consulted on during summer 2024.

The Stirling Levelling Up Fund (LUF) bid focused on the redevelopment of Forthside, building on the momentum gained through the City Region Deal. Stirling Council successfully secured £19 million of LUF funding, with £16 million allocated to the redevelopment of the MOD site. The remaining £3 million will enable active travel improvements to connect the site to the city centre and beyond. The redevelopment of Forthside will unlock significant economic development opportunities and create new employment for the region. The project will regenerate and transform the MOD site from a closed industrial site to a prime investment location.



Stirling Studios

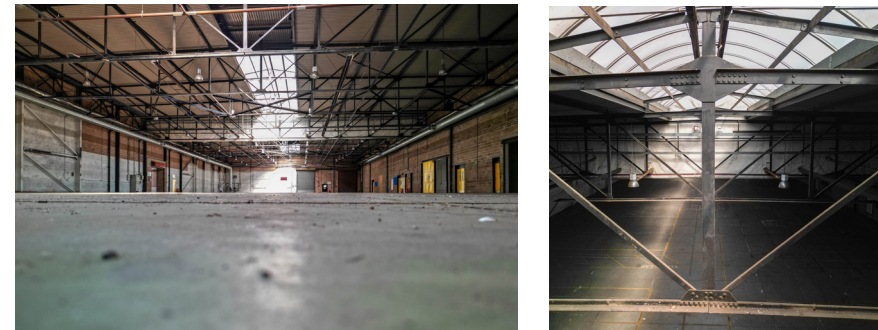
In April 2024, it was announced that Stirling Studios will be located on the former MoD land. This will create one of the biggest film studio campuses in Scotland and unlock significant investment and job opportunities, as well as an array of economic and social benefits.

Rather than demolishing and clearing all of the existing buildings on the MoD land as previously intended, some of these will be retained and refurbished to accelerate the start of economic activity and job creation on the site as soon as possible.

The remainder of the land will be redeveloped in line with the masterplans for the area. The other projects identified in the LUF bid, such as new roads, will still be delivered by March 2026 as a new sustainable and economically vibrant community takes shape in Forthside.

It has been assessed that the site has capacity to create 100,000 sq ft of studio space and 110,000 sq ft for production, logistics and office space. This significant capacity and flexibility of space will enable Stirling Studios to fill current gaps in the market for TV and film production and support the rapid growth of the sector in Scotland and the UK.

Following Stirling Council's approval of a £6m procurement contract for building refurbishment at the site, it is anticipated that this work will begin in February 2025 and be completed by January 2026.



E Culture, Heritage & Tourism

1. Developing Culture, Heritage and Tourism Assets

| Lead Partner | | Stirling Council | | | Clackmannanshire Council |
|---------------------|---------------|-------------------|--|----------------|--------------------------|
| Scottish Government | UK Government | Regional Partners | | Other Partners | Total funds |
| £15,000,000 | - | - | | - | £15,000,000 |

| Headline Achievements | Next Milestone |
|--|--|
| <ul style="list-style-type: none"> • Programme OBC approved by Joint Committee March 2022 • Six potential projects identified within Stirling and Clackmannanshire | <ul style="list-style-type: none"> • Review viability and affordability |

The City Region Deal sets out the shared vision of regional partners to make the City Region “a highly desirable place to live, work and visit: an attractive place in which to invest financial, human and social capital”.

As part of this vision, it was recognised that that there would be very significant opportunities to strengthen the regional economy by making investments in culture, heritage and tourism which are an integral part of the City Region Deal. Investment across these areas can support the destination, facilitate post-pandemic recovery, stimulate growth in the value of tourism to the local economy, encourage new businesses and fresh investment, create employment opportunities, as well as encourage strong effective partnership working.

The Programme OBC was based on a number of complementary interventions, each of which will have the capacity to deliver sustainable, inclusive growth. This was approved by the Joint Committee in March 2022.

Since approval and in line with the process outlined in the Programme OBC, appraisals have been completed for potential projects to assess their strategic fit with the programme objectives. An economic assessment of each project has also been commissioned and the output is currently being reviewed.



2. Japanese Gardens



| Lead Partner | | Clackmannanshire Council | | |
|---------------------|---------------|--------------------------|----------------|-------------|
| Scottish Government | UK Government | Regional Partners | Other Partners | Total funds |
| - | £750,000 | - | £1,012,000 | £1,762,000 |

| Headline Achievements | Next Milestone |
|---|--|
| <ul style="list-style-type: none"> Restoration works complete March 2023 External lighting installed Education & Outreach programme extended 30 jobs created 40,000 visitors per annum | <ul style="list-style-type: none"> Wishes for Wellbeing community arts based project exhibition & art installation March 2024 Funding being sought for new Education & Outreach building Longer term proposal developed to create new tearoom and shop pavilion |

The Japanese Garden at Cowden was commissioned by the explorer Ella Christie in 1908 after an inspiring visit to Kyoto. The garden was created by Taki Handa, the only woman credited with the design of a garden of its type. The Japanese Garden was destroyed by vandals in 1963 and it was almost lost forever, until a careful restoration project by a charitable trust began in 2014. Due to overwhelming interest the garden opened to visitors while restoration work was in progress.

City Region Deal investment has been used to help develop the infrastructure and permanent facilities required for the continued operation of this unique new tourism offering for

Clackmannanshire. The project scope of works comprised the full restoration of the Japanese Garden, including permanent features such as the Tea House, gardens, pathways and enabling infrastructure, which was all completed over the winter 22/23.

During the course of this year the Education and Outreach Programme has been extended including the delivery of a community arts-based project 'Wishes for Wellbeing'. In March 2024 an exhibition is planned to celebrate this project with an art installation being created by a student from Forth Valley College.



Future capital projects are now being planned, subject to securing funding, including a new Education

& Outreach building and in the longer term, a new Tearoom and shop pavilion.

As part of the CRD monitoring and evaluation process, the Japanese Garden continues to report on the objectives stated within the business justification case and going forward the wider impact on the region will be assessed. The gardens are reporting a continuous rise in visitor numbers to 40,000 per annum, with the majority travelling from outside the region. Employment opportunities created so far have also exceeded target figures.

A more detailed summary of the Wishes for Wellbeing project provided by the Japanese Garden is as follows:

“Wishes for Wellbeing is a community arts-based project centred on the legend that to fold 1000 origami cranes grants a special wish, as well as being an opportunity to promote positive wellbeing techniques. The Japanese legend was given new meaning in the wake of the Hiroshima bombing as a young girl, suffering from leukaemia, started folding paper cranes in her

hospital bed. Her efforts inspired a movement and today origami cranes are often used to symbolise peace, positivity and hope.

Throughout the project we have sought to promote positive wellbeing tools and encouraged groups and individuals from around Clackmannanshire and beyond to work with us to fold the 1000 cranes. Together over 200 people from 20 different groups of all ages, we now have 1000 paper cranes each containing a positive wellbeing message. In March 2024, we are planning an exhibition to celebrate the project and exhibit the cranes in an art installation created by a student from Forth Valley College. The exhibition will also be accompanied by animated films telling the story of Sadako Sasaki, the young girl who inspired our project, produced by local people working with a specialist artist. The whole exhibition is designed to represent the wellbeing benefits of learning new skills, participating, and contributing to a communal activity and hope to bring many of the groups who participated to the Garden to see it.

The project has been possible due to generous funding from the Hugh Fraser Foundation, EDF Burnfoot/Foundation Scotland, and Awards for All.”



G Digital

1. Stirling Digital Hub

| Lead Partner | | Stirling Council | | |
|---------------------|---------------|-------------------|----------------|-------------|
| Scottish Government | UK Government | Regional Partners | Other Partners | Total funds |
| £2,000,000 | - | - | - | £2,000,000 |

| Headline Achievements | Next Milestone |
|--|---|
| <ul style="list-style-type: none"> • Demand survey commissioned and results reviewed • Options explored for direction of project | <ul style="list-style-type: none"> • Outline Business Case during 2024 • Identification of project and complete |

The Digital District is intended to be a programme of investment and skills to transform and benefit urban, rural and disadvantaged areas of the region. The Stirling and Clackmannanshire City Region aims to be recognised as one of the UK's leading areas for digital technology and as a centre of excellence for digital skills and education across several sectors.

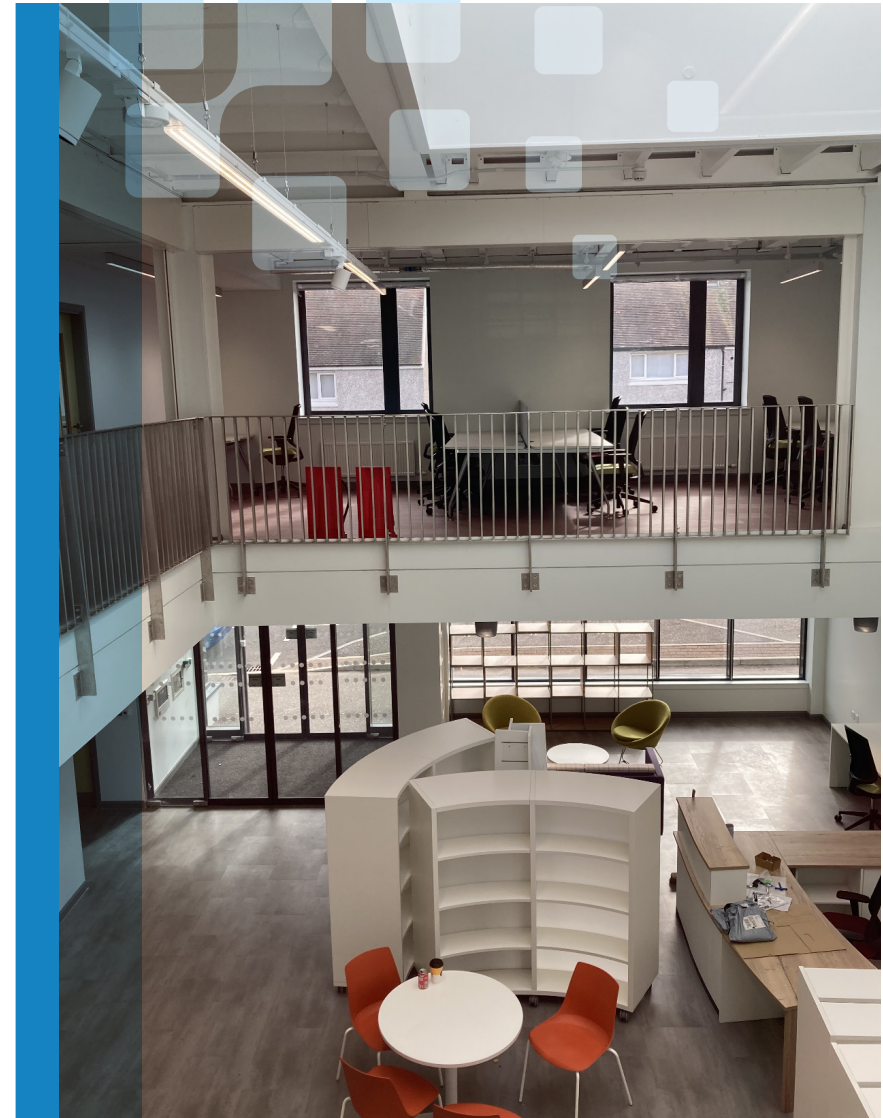
The Stirling Digital Hub is a £2 million investment to deliver Phase 2 of the Digital District in Stirling, building upon recent successes and enabling future business growth.

This year, an updated office accommodation demand survey was undertaken to assess demand for accommodation in Stirling in current market conditions. This reflected the impact of the pandemic, particularly on office working.

The project is in the process of being reviewed to ensure the investment is directed in the most appropriate way to meet the City Region Deal objectives. There are a number of options currently being assessed to determine the preferred way forward.

2. Regional Digital Hubs

The roll out of Digital Regional Hubs in our rural areas will also be supported by the City Region Deal. A trio of digital hubs will be located across the region in Cowie, Callander and Clackmannanshire. £550,000 of CRD money was invested in the Cowie Digital Hub, £790,000 is allocated to Callander and £660,000 to Clackmannanshire. This will build on the city region's recent successes and enable future business growth. The investment will provide high quality business space which will allow growing companies in the region to stay local and create new and exciting opportunities across the area.



Cowie Digital Hub

| Lead Partner | | Stirling Council | | | |
|--|--|------------------|--|----------------|-------------|
| Scottish Government | | UK Government | Regional Partners | Other Partners | Total funds |
| £500,000 | | - | £241,000 | £1,352,000 | £2,093,000 |
| Headline Achievements | | | Next Milestone | | |
| <ul style="list-style-type: none">Internal fit out completedBuilding openedProgramme of activity created | | | <ul style="list-style-type: none">Project Complete | | |

The Cowie Digital Hub provides modern business accommodation and a new library creating much needed space for community services, business and entrepreneurial activities as well as employability and skills support.

The library which hosts the Hub opened in the spring. Work then focused on completing the internal fit out and installing the required IT in the hub. A programme of activity has also been created and is led by the Stirling Enterprise Park (STEP) Rural Business Adviser, to support growing businesses in the area. The first activities are currently underway.



Callander Digital Hub

| Lead Partner | | Stirling Council | | |
|---------------------|---------------|-------------------|----------------|-------------|
| Scottish Government | UK Government | Regional Partners | Other Partners | Total funds |
| £840,000 | - | - | - | £840,000 |

| Headline Achievements | Next Milestone |
|--|--|
| <ul style="list-style-type: none"> • Demand survey commissioned and results reviewed • Options explored for direction of project | <ul style="list-style-type: none"> • Agree alternative viable project and develop Outline Business Case in 2024 |

Similar to the Stirling Digital Hub, the project team have been reviewing the project in light of the Demand Survey to ensure the project remains aligned to CRD objectives. A number of projects are currently being assessed to establish the preferred way forward.

The Callander hub was originally planned to be in a new redeveloped St. Kessogs. However, costs for this project were in the region of £5 million and this was therefore not a viable option. A variety of alternative options are currently being explored and these are being progressed with local representatives in Callander.



Clackmannanshire Digital Hub

| Lead Partner | | Clackmannanshire Council | | |
|---------------------|---------------|--------------------------|----------------|-------------|
| Scottish Government | UK Government | Regional Partners | Other Partners | Total funds |
| £660,000 | - | - | - | £660,000 |

| Headline Achievements | Next Milestone |
|--|--|
| <ul style="list-style-type: none"> • Draft OBC reviewed by RPMO and both UK and Scottish Governments early 2023 • Process halted mid 2023 whilst options appraisal completed for SIEC/ ILIH with a revised proposal that Clacks Digital Hub becomes part of Alloa Innovation Hub concept • Funding re-profiled to 28/29 | <ul style="list-style-type: none"> • Preparation of new design brief aligned to existing AIH scope to inform OBC for combined facility • Formal Deal change control governance |



The Clackmannanshire Digital Hub is set to provide a structure to bring together existing digital activities and supports for all aspects of the county to support a significant change in digital activities for businesses and individuals. It will build upon, and link to, existing digital infrastructure within the public, private and third sector estate. Similarly, it will connect digital skills and training provision in the university, college, schools, community groups and the business sector via a hub and spoke approach.

The hub will be a key part of the regional digital offer in support of the development of a strong regional digital cluster. By the end of the decade, the Stirling & Clackmannanshire City Region aims to be recognised as an exemplar for digital technology and as a centre of excellence for digital skills. This investment will provide a high-quality business space, allowing growing companies in the region to remain local and create new and exciting opportunities across the Deal area.

It is proposed that rather than build a standalone hub this be incorporated into the Alloa Innovation Campus to maximise gain from the investment.

9 Looking Back

2024 marks the mid-point of the City Regional Deal since its inception and signing amidst the Covid-19 pandemic and a continued time of economic challenges. In particular, the rise in costs of supplies and labour due to unprecedented levels of inflation, exacerbated by global economic shocks including Covid-19 and the war in the Ukraine, has had a significant impact on the capacity of the Deal to deliver on its strategic outcomes, programmes and projects.

In response, a number of reprofiling exercises are being undertaken, resulting in some projects being under review, larger projects like the SIEC being re-scoped and the removal of the Tartan Centre project from the programme. However, the Deal continues to progress, and notable achievements from the past 12 months include the completion and approval of the **Regional Energy Masterplan** as well as the formal endorsement by both governments and approval by Joint committee of the **National Aquaculture Technology and Innovation Hub** which has propelled this project into its delivery phase. Moreover, following positive discussions between Stirling Council, MOD Estate and the UK Government, the transfer of Phase 1 of the **Ministry of Defence Land at Forthside** was completed in March 2024. Other headlines include the successful delivery of multiple digital skills programmes through our Flexible Skills programme as well



as **weekly drop-in sessions being delivered through our Inclusion Workers and Investment Fund**. 2023 also saw our **key active travel routes** from Raploch Road South to Dumbarton Road as well as the Route from Wallace High to Causewayhead Road entering their final phase with construction expected to be completed by the end of autumn 2024. Substantial effort has also been expended in advancing the concept of **the Alloa Innovation Hub**, which seeks to bring together the visions of the Intergenerational Living Innovation Hub, Clackmannanshire Digital Hub, Culture, Heritage & Tourism projects as well as the second phase of the SIEC into a high-impact and multi-purpose centre for innovation.

10 The Year Ahead

Looking ahead, like many other Deals we believe that consolidation is the key to maximising impact. Rather than focusing our efforts on delivering a number of lower impact pieces of work, we wish to consolidate the funding into larger impactful projects.

As such, our priority will be to continue to progress and assess the viability of our business cases to approval, while critically evaluating the impact and benefits of our existing project portfolio. Advancing the Alloa Innovation Hub from a concept stage through to the development of an outline business case for approval will also be a key target for this next phase of the Deal. As for our Digital Hubs and Skills programmes, we will review these in light of the changing priorities for businesses and the growing workforce, to ensure the associated projects deliver the relevant and impactful support that our communities require, while staying true to the overarching objectives of the Deal. With the continued commitment from our delivery and funding partners, the Deal sets out to continue to bring transformational change to our communities and to drive inclusive economic growth to our region.



| Theme | Programme/Project | Next Milestone |
|--|--|--|
| A. Transport, Connectivity & Low Carbon | Active Travel | Submission and approval of Full Business Case (FBC) for the next AT project - Spring 2025 Progress applications to Sustrans for follow on funding for next stage of design work |
| | Walk, Cycle, Live Stirling | Complete construction end of 2024 |
| | Energy Master Planning | Project complete |
| B. Innovation | National Aquaculture Technology and Innovation Hub | Complete construction May 2025 |
| | Scotland's International Environment Centre (SIEC) Phase 1 | Data Centre Landing Zone build completed March 2024 Commence 3DEO Visualisation & Multi Dashboard Development March 2024 Deliver training for carbon accounting and net zero carbon accounting for SMEs in the region |
| | SIEC Phase 2 Intergenerational Living Innovation Hub | Submission of formal change control request to consolidate funding streams into one programme for an Alloa Innovation Campus March 2024 Cost analysis to evaluate financial considerations, development strategies and potential phasing options Spring 2024 Outline Business Case submitted for approval March 2025 |
| | The National Tartan Centre | Development of alternative innovation project and approval of Strategic Outline Business Case by end of March 2025 |

| Theme | Programme/Project | Next Milestone |
|---|---|--|
| C. Skills and Inclusion | Flexible Skills | Approved delivery Methodology by May 2024 |
| | Inclusion Workers and Investment Fund | Benefits realisation |
| | Clackmannanshire Lone Parent Programme | Receive feedback from DWP on proposal |
| D. Infrastructure | Ministry of Defence Land at Forthside | Phase 2 due to transfer by March 2025 |
| E. Culture, Heritage and Tourism | Developing Culture, Heritage and Tourism Assets | Review viability and affordability of completed options appraisals |
| | Japanese Gardens | Construction completed Winter 22/23 Wishes for Wellbeing community arts-based project exhibition & art installation in early 2024 |
| F. Digital | Stirling Digital Hub | Progress Preferred Way Forward proposal to Outline Business Case for approval during 2024 |
| | Regional Digital Hub – Cowie | Project complete |
| | Regional Digital Hub – Callander | Progress Preferred Way Forward proposal to Outline Business Case for during 2024 |
| | Regional Digital Hub – Clackmannanshire | Preparation of new design brief aligned to scope of the Alloa Innovation Hub to inform Outline Business Case for combined facility as part of Alloa Innovation Campus concept March 2025 |

Glossary

| | |
|--------------|--|
| ATR | Active Travel Routes |
| CC | Clackmannanshire Council |
| CHT | Culture, Heritage and Tourism |
| COG | Chief Officers Group |
| CWB | Community Wealth Building |
| COVID | Coronavirus disease of 2019 |
| FBC | Full Business Case |
| OBC | Outline Business Case |
| ILIH | Intergenerational Living and Innovation Hub |
| NATIH | National Aquaculture Technology and Innovation Hub |
| RDH | Regional Digital Hub |
| REAG | Regional Economic Advisory Group |
| REF | Regional Enterprise Forum |

| | |
|-------------|---|
| RES | Regional Economic Strategy |
| RPMO | Regional Programme Management Office |
| SC | Stirling Council |
| SDS | Skills Development Scotland |
| SIEC | Scotland's International Environment Centre |
| SE | Scottish Enterprise |
| SG | Scottish Government |
| STAG | Scottish Transport Appraisal Guide |
| UKG | UK Government |
| UoS | University of Stirling |

| | |
|----------------------------|---|
| Regional Partners | 3 Primary Deal Bodies |
| Other Partners | Other Public Sector and Third Sector Bodies |
| Commercial Partners | Private Sector Bodies |



Stirling &
Clackmannanshire
City Region Deal

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