

To: POLICY AND RESOURCES (REGENERATION & INFRASTRUCTURE) SUB COMMITTEE		Subject: Glasgow City Region City Deal Programme Update
From: HEAD OF PLANNING & REGENERATION		
Date: 8 th September 2016	Ref: 1863/KB	

1. Purpose of Report

- 1.1 The purpose of this report is to provide the Policy and Resources (Regeneration & Infrastructure) Sub Committee with an update on progress within the Glasgow City Region (GCR) City Deal programme since the last report presented to the Committee on the 19th of May 2016.

2. GCR Programme Update

- 2.1 Following on from the website launch www.glasgowcityregion.co.uk and brand development exercise a GCR Communication, Marketing and Engagement Strategy was approved by Cabinet. This strategy was developed by the GCR City Deal Communication and Marketing Group and informed by the findings of an earlier independent consultation exercise across 70 key stakeholders. The aim is to work in partnership to deliver excellent public sector communications that will positively promote the City Deal. Alongside a detailed workplan, the strategy will also consider opportunities for joint working with respect to inward investment marketing activities across the region.
- 2.2 Significant progress has been made in recent months in the establishment of the economic governance at both the UK and Scottish level that will monitor the long-term performance of the GCR City Deal programme until 31st March 2035. Following an external recruitment exercise, five commissioners have been appointed for the Local Commission on Economic Growth until 2021. This Commission, chaired by the Principal of Glasgow University, will act as economic advisors to the Cabinet and met for the first time on the 4th of July to agree their remit and timescale for the development of a workplan by October 2016.
- 2.3 Procurement is also underway for the appointment of the Independent National Evaluation Panel, which will provide a further layer of scrutiny and benchmarking to the GCR City Deal alongside nine other UK City Growth and Devolution deals. Both the Commission and the National Evaluation Panel will set economic monitoring parameters for the GCR City Deal programme to demonstrate performance against the five yearly gateway reviews upon which future capital funding is dependant.

3. Glasgow City Region: Wider Portfolio Development

- 3.1 In June 2016, the GCR Cabinet agreed to take on the responsibility for new priority areas of work that would support the delivery of the wider economic objectives of the City Deal. This follows on from the initial portfolio approach adopted by North Lanarkshire, Renfrewshire and South Lanarkshire Councils to cover a wider range of policy areas that will impact on future regional economic development matters.
- 3.2 A total of eight GCR portfolios have now been identified as summarised in **Table 1**. As previously undertaken, it will be the responsibility of the portfolio holder to:

- respond on behalf of the Cabinet on announcements that relate to their policy portfolio;
- lead conversations on behalf of the Cabinet with Government on issues that relate to the delivery of City Deal Cabinet policy objectives, as established as part of an agreed workplan; and
- represent Cabinet in political engagement at Scottish Government Cabinet Secretary/Ministerial level.

GCR Portfolio	Lead Council
Transport & Connectivity	North Lanarkshire Council
Enterprise & Economic Growth	Renfrewshire Council
Inward Investment	Glasgow City Council
Infrastructure & Assets	East Renfrewshire Council
Skills & Employment	South Lanarkshire Council
Housing & Equalities	West Dunbartonshire Council
Land Use & Sustainability	East Dunbartonshire Council
Tourism & Marketing	Inverclyde Council

3.3 The Leader of North Lanarkshire Council now has responsibility for the Transport and Connectivity Portfolio. This portfolio remit has been refined to solely focus on transportation connectivity issues, with digital connectivity matters now part of the Infrastructure and Assets Portfolio remit. GCR Chief Executives will support Council Leaders in undertaking portfolio work plans and dedicated thematic groups with membership from all GCR local authorities will be established. North Lanarkshire's Chief Executive will chair the Transport and Connectivity group and terms of reference were agreed at its first meeting on the 5th of August 2016.

3.4 Corporate Management Team members have been allocated to each of the eight portfolio areas identified in **Table 1** and will report back on any implications arising from the delivery of portfolio work plans to the Council in due course.

4. Glenboig Link Road Update

4.1 The Outline Business Case (OBC) for the Gartcosh Business Park to Glenboig Link Road project and a further £1.5m of capital funding was approved by the GCR Cabinet on the 7th June. The internal City Deal team are now taking forward delivery of the Link Road with third party design input and the Council's estates team are progressing associated voluntary land acquisitions with a series of land owners, working towards conclusion of missives by the end of October 2016.

4.2 The project has been split into two phases to take account of different construction works required on this key access route to Glenboig. Phase one will encompass 500m of new two way single carriageway and two roundabouts. Phase two will include the upgrade of existing carriageway, kerbing, drainage, footpaths and surfacing. A third project element is the creation of extension areas to Gartcosh Local Nature Reserve as mitigation for the new link road. These works will be progressed concurrently with the link road construction.

4.3 The procurement process for Phase two of the Link Road is well underway, with tenders returned in late August for both the refurbishment and local nature reserve contracts. This procurement activity triggered the requirement to submit a Full Business Case (FBC) to the City Deal Programme Management office by 26th of August 2016 seeking funding from the GCR Cabinet on the 18th of October prior to tender award. This process is in line with GCR City Deal governance.

4.4 Subject to FBC approval, it is anticipated that phase two works will commence on site in November 2016, with a construction period of four months. Pending a further tender

exercise and FBC approval by the GCR Cabinet in December 2016, phase one works will commence on site in February 2017 with a construction period of up to eight months.

5. Labour Market and Innovation Strands

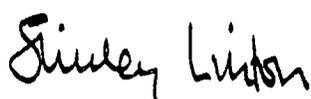
- 5.1 The Working Matters project delivered by Routes to Work continues to make good progress, having received 183 referrals with 113 agreeing to engage in the project since its inception in late August 2015. Ten participants within North Lanarkshire have now successfully entered sustained employment following participation in this project.
- 5.2 MediCity Scotland activity is progressing since its launch in March 2016, with four events held to ignite medtech business creation and growth in areas such as entrepreneurship and knowledge transfer alongside two dedicated business acceleration programmes. The first signs of private sector investment in Medtech activity are also arising and five new jobs have been created.

6. Financial Update

- 6.1 As part of the £1.13bn City Deal Infrastructure Fund, £172.463m of funding relates to North Lanarkshire projects, with £23.596m of this total to be funded by the Council. The Council estimates it will spend up to £3.9m on infrastructure projects in 2016/17 and was the first member authority to submit its quarterly claim for April to June 2016/17 to the Project Management Office, totalling £0.133m.
- 6.2 With regards to the Working Matters scheme, the Council has been allocated £0.459m of funding from the total £4.5m City Deal programme, with member councils asked to provide match funding to support the project. In 2015/16 £0.090m was expended on the project, via Routes to Work with £0.058m of this total claimed against the GCR grant. At this stage of the financial year it is projected that a further £0.317m will be spent, with £0.245m eligible for DWP grant funding. Match funding is now secured from Council reserves for this project.
- 6.3 For the innovation strand of City Deal, the Council is supporting the MediCity project with revenue funding from Council reserves of £0.439m over two years from autumn 2015, following which Scottish Enterprise will provide grant assistance of £0.673m. MediCity has submitted the first tranche of claims to the Council, with the verification process undertaken by the Business Services Team. The first quarter submission has been signed off by the Council with payment in line with the cash flow estimate of just over £0.030m.

7. Recommendations

- 7.1 It is recommended that Committee
- (i) Note the content of the report and GCR City Deal Programme update;
 - (ii) Note the revised GCR portfolio approach; and
 - (iii) Homologate the decision to submit the Full Business Case for the Glenboig Link Road project to the Programme Management Office on the 26th of August for consideration by the GCR Chief Executive Group on the 28th of September and progression to the GCR Cabinet on the 18th of October 2016.



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Local Government Access to Information Act: for further information please contact Kate Bryson, City Deal Programme Leader on 01236 632854.