

**WEST DUNBARTONSHIRE COUNCIL****Report by the Strategic Lead for Regeneration****Council: 29 May 2019**

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**Subject: Glasgow City Region City Deal – Update****1. Purpose**

- 1.1** To note the progress with the implementation of the Glasgow City Region, City Deal.

**2. Recommendations**

- 2.1** It is recommended that Council:

- i) notes the progress of the Glasgow City Region (GCR) City Deal, and
- ii) notes progress with the Council's project for the Exxon site.

**3. Background**

- 3.1** The Glasgow City Region City Deal Infrastructure programme equates to £1.13bn of investment during period 2015-2035. Projects are progressing and have reached various stages from Strategic, Outline and Full Business Case stages of approval.

**4. Main Issues**

- 4.1** The refreshed Outline Business Case (OBC) for the Exxon site project was approved at Council on 28 November 2018, approved at the Chief Executives' group on 31 January 2019, and also approved at Cabinet on 12 February 2019. The Final Business Case is anticipated no later than November 2020.

**5. Glasgow City Region City Deal Update**

- 5.1** The Glasgow City Region, Chief Executives' Group met on 28 March 2019 and approved the following projects:
- i) North Lanarkshire Council - Infrastructure Programme realignment. This was a re-alignment of £6.1m from the A8/M8 Corridor Access Improvements Strategic Business Case (SBC) and £60.1m from the Gartcosh/Glenboig Community Growth Area SBC, and draw-down of a further £4m of GCR City Deal Infrastructure funding as part of the overall £189m Pan Lanarkshire Orbital Transport Corridor SBC. The City Deal funded element of the proposal would remain at £172.4m

however; NLC would contribute a further £29.7m towards the Pan Lanarkshire Orbital project, increasing the total investment across the 3 SBCs to £202.2m, with no change to the NLC grant allocation, and agreement to progress the OBC for the Ravenscraig Infrastructure Access sub-project.

- ii) North Lanarkshire Council - Gartcosh Business Park to Glenboig Link Road project - Augmented Outline Business Case to satisfy HM Treasury Green Book compliance.
- iii) East Renfrewshire Council - Barrhead South - Aurs Road to Balgraystone Road - Augmented Outline Business Case to satisfy HM Treasury Green Book compliance.
- iv) East Renfrewshire Council - Barrhead South - Balgraystone Road Upgrade project - Full Business Case as project moves into construction phase and sought £2.413m of funding to deliver.
- v) Renfrewshire Council - Glasgow Airport Investment Area - Full Business Case as project moves into construction phase and sought £29.689m of funding to deliver.

**5.2** At the Glasgow City Region, Chief Executives' meeting on 28 March 2019 the group noted following project:

- i) East Dunbartonshire Council - Place and Growth Programme - Strategic Business Case. EDC had indicated that it was their intention to submit a SBC for a project to be considered should further funding become available. The group noted the report and instructed the PMO to work with the Finance Strategy Group to identify opportunities within the current Programme where funding could be made available to support the inclusion of additional City Deal Infrastructure Fund projects. The total cost for delivering the programme outlined in the SBC is estimated to be £60.59m. Should funds become available the City Deal programme would fund £52.18m and East Dunbartonshire Council £8.48m.

**5.3** The Glasgow City Region, Chief Executives' Group also met on 25 April 2019 and approved the following projects:

- i) South Lanarkshire Council- Augmented OBC- Larkhall Community Growth Area. This OBC was originally approved by Cabinet on 14 February 2017 with a City Deal contribution of £17.3m, which remains unchanged; however the OBC has been augmented to ensure that it is HM Green Book compliant.
- ii) South Lanarkshire Council – FBC- Strathaven Road- Woodfoot Road Transport Corridor Junction Improvements. The augmented Hamilton OBC was submitted by SLC to the CEG on 2 August 2018, where it was noted that the OBC had been augmented and was considered fully compliant with HM Treasury Green Book. The total cost of the project is £1.079m and funded from City Deal and members contributions.

**5.4** The Glasgow City Region Cabinet welcomed and supported a 'Blueprint for the Green Network' at its meeting on 9 April 2019. The report had been prepared for the Glasgow City Region (GCR) by the Glasgow and Clyde Valley Green Network Partnership (GCVGNP). The GCVGNP which had been formed in 2006 with the aim of making GCR one of Europe's most attractive places to live, work and play through the creation of a large functional Green Network since the publication in 2017 of 'A Green Network Strategy for the GCR'. The Blueprint was comprised of 2 combined networks of greenspace, namely, 'An Access Network' and 'A Habitat Network'. The Blueprint would contribute to delivering sustainable, inclusive economic growth and increasing wellbeing, with a view to formally launching the Blueprint at an event scheduled for 28th May 2019

## **5.5 Finance Group Update**

**5.5.1** At the meeting on 23 April 2019 there was ongoing discussion around the revision of the Framework Agreement. Updated that East Dunbartonshire Council had submitted a Strategic Business Case to the City Deal for £60.59m and the Finance Group have been asked to review all planned projects to ascertain whether any funding can be freed-up to allow City Deal to accommodate the East Dunbartonshire project should it be developed further. Finance Group members have sought clarification from the PMO as to how this works when other existing projects have applied for additional funding e.g. WDC. Finance Group will review opportunities meantime.

## **5.6 Labour Market Working Group (LMG) Update**

**5.6.1** The City Deals Working Matters (WM) programme finished on 31st March 2019. Of the 146 residents who engaged with the programme, 128 undertook a range of activities, including: health interventions; work related training certificates; a range of SQA certificates; non-certificated courses such as wellbeing, literacy and numeracy and Digital Friends. West Dunbartonshire WM clients, in particular, had a range of barriers to employment but 15 gained employment in the life of the programme, with several more at the point of obtaining paid work. There are 13 participants who are now volunteering. The Programme in West Dunbartonshire directed its efforts to supporting those who were furthest from the labour market. Potential clients who were closer to the labour market were supported through West Dunbartonshire's Employability Pipeline and a further 29 clients who were eligible for WM were supported into employment.

**5.6.2** Participants were given exit guidance, with the more job ready moving onto the West Dunbartonshire's Employability Pipeline, while others were referred to Fairer Scotland Fund; a number are continuing as learners with the Adult Learning and Literacies Team. The Team is currently undertaking a self-evaluation of the programme to ascertain the positive outcomes participants have had due to being part of Working Matters. Discussions are

under way at a regional level to consider further support for the target group through WM Progress. Full details are yet to emerge.

## **5.7 Housing and Equalities group update**

**5.7.1** The Glasgow City Region Housing portfolio is led on behalf of the City Region by West Dunbartonshire Council. It was established to:

- deliver the relevant actions within the Glasgow City Region Economic Strategy & Action Plan relating to the portfolio;
- develop and deliver the Regional Housing Strategy including strategic guidance on the housing aspects of delivering the City Deal Programme and the Regional Economic Strategy & Action Plan, and
- to develop additional policies or activities that can identify or maximise the economic benefits delivered by housing within the City Region.

**5.7.2** The purpose and scope of the Regional Strategy for Housing Delivery will focus on the delivery of 110,000 new homes by 2035 in the Glasgow City Region and address the following:

- identify options for joint procurement and promoting skills;
- work collaboratively to enforce standards in private rented sector;
- share methods to encourage investment in multi-tenure flats;
- explore options for regional approach to empty homes and property conditions;
- establish common framework for community benefits, specifically for tackling deprivation, and
- identify options for regional framework for surplus public land assets and development.

**5.7.3** A detailed project plan and project brief for the resource required to develop the Housing Strategy has been drafted and will be issued for tender soon. The Regional Strategy for Housing Delivery will address issues relating to regional partnership working by addressing ways in which member authorities can:

- deliver best value through scale, standards and/or innovation;
- maximise the creation of attractive places across Glasgow City Region;
- ensure that all new homes are flexible and efficient to meet particular needs beyond 2035;
- develop a mechanism for the equitable share of development dividends for all;
- address the difficult urban sites (spatial planning) especially brownfield regeneration, and
- enable a sufficient and sustainable level of labour/skills to deliver these homes.

## **5.8 Skills Portfolio group update**

- 5.8.1** A Regional Skills Investment Plan has been prepared in partnership with Local Authorities, Skills Development Scotland and the Further Education Sector. It has been compiled on the basis of a City Regional Strategic Assessment. The Regional Strategic Assessment provides an initial analysis of how well the Glasgow City Region and the local authority areas within it are performing comparatively, relatively, and absolutely against targets and ambitions across a range of outcome indicators set out within the Regional Economic Strategy and the Strategic Development Plan. Its primary function is to provide the socio-economic context for the Strategic Need section of the Glasgow City Region's City Deal Programme Business Case.

## **6. West Dunbartonshire Council City Deal Project**

- 6.1** Discussions are continuing with ExxonMobil in relation to the commercial land transaction details, which will be brought before Council for consideration once an agreement in principle has been agreed. There have been a number of constructive meetings, with the most recent meeting having taken place on 26 April 2019.
- 6.2** The Environmental Impact assessment report has now been completed. This will form part of the submission to members when the commercial aspects of the negotiation are submitted to Council for consideration and will also form part of the planning application (permission in principle) for the overall site development. A number of engagements with the regulatory authorities have taken place and it is anticipated the planning application will be submitted for consideration in late summer of 2019.
- 6.3** The Council has met with all third party landowners and discussions are progressing as planned and will progress in parallel with Council's negotiations with ExxonMobil.

## **7. People Implications**

- 7.1** There are a number of senior officers involved in the City Region initiative across services of the Council and as part of the project board.

## **8. Financial Implications**

- 8.1** The Council approved refreshed Outline Business Case for the Exxon project has an overall budget requirement of £34.050m.
- 8.2** The expenditure for the City Deal project for 2018/19 was £0.233m. As at 30 April 2019 the total project Capital expenditure was £1.477m.

**8.3** The OBC approved budget expenditure for the City Deal Exxon project remains at £2.948m. This will provide sufficient funding to take us to FBC, proposed for November 2020.

## **9. Risk Analysis**

**9.1** There are a number of project risks associated with the development at the ExxonMobil project site and these are contained within the risk register of the refreshed OBC.

## **10. Equalities Impact Assessment**

**10.1** An Equalities Impact Assessment is not necessary for this report.

## **11. Consultation**

**11.1** Consultation with all key stakeholders is progressing as we continue to work as part of the Glasgow City Region.

## **12. Strategic Assessment**

**12.1** At its meeting on 25 October 2017, the Council agreed that one of its main strategic priorities for 2017 - 2022 is:

- A Strong local economy and improved employment opportunities

**12.2** The proposals within this report are specifically designed to deliver on this priority.

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**Date: 5 May 2019**

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<b>Appendix:</b>	Nil
<b>Background Reports:</b>	Nil
<b>Background Papers:</b>	Glasgow City Region City Deal - Council updates on the following dates: 14 February 2019, 28 November 2018, 29 August 2018, 27 June 2018, 31 May 2018, 5 March 2018, 20 December 2017, 25 October 2017, 30 August 2017, 28 June 2017, 26 April 2017, 22 February 2017, 21 December 2016, 26 October 2016, 31 August 2016, 29 June 2016, 27 April 2016, 24 February 2016, 16 December 2015, 25 August 2015.
<b>Wards Affected:</b>	All