

WEST DUNBARTONSHIRE COUNCIL**Report by Chief Officer (Regeneration and Regulatory)****Council: 25 October 2023**

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 notes the progress of the Glasgow City Region programme.

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 This report provides information on City Region progress, and includes an update on the Exxon site project development.
- 4.2 At its meeting on 21 June 2023, Council approved the £44.325m Final Business Case for the infrastructure proposals for the Exxon site, and agreed that the Business Case be presented to Glasgow City Region for approval. Council also agreed to commence discussions with the City Region regarding securing funding that might be available from the Region following a region-wide project reprogramming exercise. Council has agreed to commit up to £20.344m towards the project, with the City Region currently committed to funding the balance of £23.991m.
- 4.3 The City Region Chief Executives Group recommended approval of the Business Case at its meeting on 27 July, and this was subsequently confirmed by Cabinet on 8 August 2023.
- 4.4 Glasgow City Region is now aware of our funding request but the amount of additional funding that might be available from the City Region for projects across the City Region including for Exxon is not yet known, nor is the method of project prioritisation and fund redistribution. However, it is anticipated that more information will be available at the next Cabinet meeting on 7 November.
- 4.5 The Council's Planning Committee will consider the application for approval

of matters specified in conditions (AMSC) for development platforms, roads, access arrangements, site layout, landscaping and waterfront walkway on the Exxon site, this is likely to be presented at the 15 November 2023 Planning Committee.

- 4.6** It is anticipated that at the meeting on 20 December Council will be asked to confirm the letting of construction contracts so that work on site can commence in early 2024.
- 4.7** While the Project Team continue to progress the development of the design, and there are undoubtedly significant cost pressures, the project remains within the funding requirements last approved by Council and opportunities to deliver savings continue to be investigated.
- 4.8** Following a successful Stage 1 application, Scottish Government has invited the Council to submit a detailed Stage 2 funding application for access and footpath improvements to begin delivery in 2024/25, The £1.9M project addresses the wider Planning and design aspects of the masterplan. The application will be submitted in 17 November and the outcome will be known by early 2024.
- 4.9** Council officers will continue to liaise with the City Region on the availability of additional funding from the expected reprogramming exercise. While there is currently no certainty on securing additional funding, Council officers will focus on and promote the comparatively significant growth benefits that the development of Exxon will deliver not just for West Dunbartonshire but for the wider City Region.
- 4.10** The last Glasgow City Region Cabinet Meeting was held on 8 August, and a Chief Executives Group met on 6 September 2023 in advance of the Cabinet scheduled for 7 November.
- 4.11** Agenda items at the Chief Executives Group of 6 September of particular note to the Council included an update on the proposed regional approach to Electric Vehicle charging; Land Supply & Commercial Retrofit Study; a proposed bid from City Region to UK Government for a 5G pilot project on applications of 5G digital connectivity; new guidance on the Investment Zone, (reported in more detail below); and update on Shared Prosperity Fund.
- 4.12** In June 2023, Glasgow City Region (GCR) was announced as one of two new Investment Zones in Scotland following a joint selection process by the UK and Scottish Governments. The two Investment Zones, Glasgow City Region and the North-East Region, are each supported by an overall funding envelope of up to £80 million in targeted investment, tax reliefs and other incentives over a five-year period.
- 4.13** Subject to proposals meeting specific requirements and being agreed across all parties, Investment Zones in Scotland will each receive a total funding envelope of £80 million over five years, which can be used flexibly between spending and a single five-year tax offer, scalable based on number and size of sites. This would consist of:

- A minimum £35 million flexible spend, split 40:60 between resource spending and capital spending, to use across a portfolio of interventions based on the opportunities of each cluster; and
- Tax incentives, available for five years, offered over a maximum 600 hectares across up to three sites, ideally of no more than 200 hectares each. If a place chooses not to take up tax reliefs to the full extent available, they will have a larger spending envelope available to them. The precise costs of tax sites will vary by site, however the estimated cost of 600 hectares of tax reliefs is £45 million, to be deducted from the overall £80 million envelope available to an Investment Zone.

4.14 UK and Scottish Governments have provided guidance on the approach regions will be expected to take in the development of the proposal for the Investment Zone. City Region Intelligence Hub has already developed, shared and secured agreement from the City Region Cabinet on 8 August for broad-ranging economic objectives that fit with Government guidance as well as the Regional Economic Strategy. Using the priority clusters that the Governments wish to see promoted in Investment Zones, the assessment on underlying sectors and regional economic strengths is underway.

4.15 The next stage will be for Member Authorities to engage with their local businesses – existing and businesses wishing to locate in the authority area - in order to identify suitable opportunities within their area. The timescales are tight with this stage of engagement needing to take place during October for a submission to City Region in mid-November. The outcome of the local business engagement will help inform our proposals to Glasgow City Region, and will be reported back to a future Council meeting

4.16 The management and administration of Clyde Mission has now moved from Scottish Government to the City Region. There are synergies between Clyde Mission and the opportunities that are presented by the Investment Zone, and officers are speaking to other Clyde Mission authorities about the potential of collaborative developments.

4.7 Glasgow City Region Programme Management Officer continues to monitor UK Shared Prosperity Fund (SPF) expenditure against the agreed Local Investment Plan. Council officers continue to promote grants funded by SPF to our local businesses for Business Recovery & Growth, Early Stage Growth, Towards Net Zero, Enhancing Tourism Events & Attractions, Business Gateway Expert Help and Shopfront & Small Business Improvement Grants.

Clyde Bridge

4.8 The Clyde Bridge contractor maintains a website with regular updates on the project. A viewer at the top of the website home page shows a video of progress which is updated monthly. This can be accessed at: www.graham.co.uk/clyde-waterfront

5 People Implications

- 5.1** There are a number of senior officers involved in the Glasgow City Region wider programme as identified at City Region Update paper at Council on 26 August 2021.

6. Financial Implications

- 6.1** Spend to date on the Exxon infrastructure project is £2,813k and so far this year it is £133k.

7. Risk Analysis

- 7.1** A risk register is kept updated by Exxon Project Board.

8. Equalities Impact Assessment

- 8.1** Not applicable for this report

9. Consultation

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

10 Strategic Assessment

- 10.1** At its meeting on 26 October 2022, the Council agreed that one of its main strategic priorities for the Strategic Plan 2022 - 2027 is:

- A Strong local economy and improved employment opportunities

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

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Appendix: None

Background Papers: UK Shared Prosperity Fund Report to Housing and Communities Committee 22 August 2022
Glasgow City Region City Deal- Council 13 August 2014.
“City Deal Initiative” Clyde Valley Investment Fund-

Council 30 April 2014 (Memorandum of Understanding).
Clyde Valley Community Planning Partnership – City Deal
Initiative – Council 28 August 2013.

Wards Affected: All