

WEST DUNBARTONSHIRE COUNCIL**Report by Chief Officer (Regeneration and Regulatory)****Council: 20 December 2023**

Subject: Glasgow City Region City Deal and Exxon Site Project**1. Purpose**

1.1 To approve the construction agreements with Balfour Beatty Civil Engineering Ltd and Network Rail for the Exxon site infrastructure project to note the progress being made on delivering the projects, and to note the progress with the implementation of the Glasgow City Region programme.

2. Recommendations

2.1 It is recommended that Council

- i) Delegate authority to the Chief Officer of Regulatory and Regeneration to agree the construction agreements with Balfour Beatty Civil Engineering Ltd and Network Rail and such ancillary agreements as may be required to deliver the works, all in line with approved budget
- ii) note the progress made on site remediation made by ExxonMobil, and the new target completion date of end February 2024
- iii) note the progress made with Network Rail on possession of the site for construction of the western underpass
- iv) note that the outcome of the Council's additional funding request to Glasgow City Region is not yet known
- v) note 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. The Exxon Site Infrastructure project is West Dunbartonshire's City Deal funded project.

4. Main Issues

4.1 This report seeks approval to conclude the construction agreement with Balfour Beatty, Network Rail and such other parties (e.g. Scottish Gas Networks, Scottish Power Energy Networks etc.) for the Exxon infrastructure project, conditional upon approval of planning permission, which is anticipated

in January 2024, and conclusion of acquisition of third party land, anticipated by end of January 2024. The report also provides an update on City Region progress.

Exxon Infrastructure Project

- 4.2** Following the approval of the Full Business Case by Council in June and by Glasgow City Region Cabinet in August of this year, Balfour Beatty have been engaged in producing final costs and contractual documentation for the construction of the Exxon transport infrastructure project.
- 4.3** The current estimated cost based on the Final Business Case remains at £44.325m, as reported to Council in June 2023. The transport infrastructure design is completed and has been consulted with relevant statutory bodies. Planning determination is in progress and will be reported to Planning Committee in January 2024. The construction contracts with Balfour Beatty are expected to be finalised by February 2024, and some early works activities might be considered to accelerate the programme prior to the Exxon Site land transfer. The wider landscape and path development design is also progressing.
- 4.4** The remediation work undertaken by Esso Petroleum is ongoing. Site excavation has slowed down due to a significant wet period during September and October. The estimated completion date for remediation is the end of February 2024, however this will not automatically trigger land transfer. Additional time is required for a report by Esso's environmental contractor, WSP and the Regulators. A phased approach has been agreed for report submissions to speed up and review times, and a final report review is expected in April 2024 at the earliest. This will trigger the land transfer from Esso to the Council.
- 4.5** Network Rail confirmed that our request for the 5 days possession between the 24th and 30th December 2024 was approved to allow the construction of the western underpass. The construction contract is programmed to be finalised by the 29th March 2024 and pre-construction start is expected on the 20th May 2024 for the western underpass.
- 4.6** In relation to land acquisitions there are a number of Temporary Access Agreements required to be completed and these have been agreed in principal pending confirmation of dates and scope of works. All land acquisitions are being progressed and are anticipating completing these in January 2024.
- 4.7** The Council has requested that further funding be made available from Glasgow City Region to offset some of the Council's contribution to the £44.325m project cost. It had been hoped that the outcome of that request would have known by now, but due to delays in City Region gaining both Governments' agreement to the proposed method of project prioritisation and fund redistribution, we are advised that the outcome won't be known until early 2024 though no further details are available at present.

- 4.8** A Stage 2 Vacant and Derelict Land grant application for £1.9m to fund greenspace and footpath improvements has been submitted to Scottish Government, with the outcome expected in late January 2024. If the funding application is successful, it is anticipated that the delivery of work will be added as a variation to the main construction contract via the SCAPE Framework.
- 4.9** Residents, businesses and Elected Members will be kept well informed throughout the project. In addition, the Council will work with partners including Transport Scotland, to ensure all key messaging about the project is distributed widely to maximise reach and engagement.
- 4.10** A promotional brochure for the site is currently being designed and will be produced before any works take place on site that can be distributed to interested developers and other parties.

City Region Update

- 4.11** The last Glasgow City Region Cabinet Meeting was held on 7 November 2023. Agenda items included Clyde Climate Forest; Glasgow City Region Education Improvement Plan; a presentation on the Regional Transport Plan by SPT; Glasgow City Region Innovation Action Plan; Glasgow City Region Investment Zone; an update on the Clyde Mission move to City Region from Scottish Government; an update on Shared Prosperity Fund; a report on Governance and a recommendation to approve the Outline Business Case for A78 Inverkip Transport Improvements in Inverclyde Council.
- 4.12** The City Region Update report to Council in October 2023 set out UK Government's intention to establish an Investment Zone of up to 600 hectares in Glasgow City Region to facilitate the expansion of industry, commerce and research & development within key growth sectors. Following a consultation process with our larger businesses that fall into the key sectors, and in response to Glasgow City Region seeking suggestions on where Investment Zones could be established, the Council submitted a proposal identifying the proposed Scottish Marine Technology Park at the former Carless site together with some adjacent underused land, and the Exxon site together with the adjacent Scotts Yard as potential locations for an Investment Zone in West Dunbartonshire. In consultation with Peelports, Rothesay Dock in Clydebank was also identified as an area that could contribute to a wider Investment Zone across multiple local authorities. Glasgow City Region Programme Management Office is now in discussion with both Governments to undertake a sifting exercise that will determine the industrial sector to be supported, and, as a second stage, the location(s) of the Investment Zone
- 4.13** The management and administration of Clyde Mission has now moved from Scottish Government to the City Region, and the work will be overseen by Regional Economic Strategy Group. A new Head of Place in the Programme Management Office is to be appointed. Argyll and Bute Council will be part of

a Heads of Planning group looking at a masterplan for the Clyde. More information will follow on grants for the Clyde Missions Heat Decarbonisation Fund.

- 4.14** 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

- 4.13** 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
- 4.14** Newsletters are accessible to those who register for further updates. A link to register for updates is contained within the project webpage noted above.

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** £1,558,575 has been spent this year on the Exxon project.
- 6.2** An overall budget of £44.325M was approved at Council on 28th June 2023. Officers will continue to seek means of reducing the overall net cost of the project as it moves into delivery phase.

7. Risk Analysis

- 7.1** There are a number of project risks associated with the development at the Exxon project site and these are contained within the project risk register and updated by the Project Board on a regular basis. The Project Board is made up of senior officers from all key services.

8. Equalities Impact Assessment

- 8.1** An EIA was undertaken as part of the Outline Business Case, and there have been no material changes since.

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.

Alan Douglas

Chief Officer: Regulation and Regeneration

Date: December 2023

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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