

WEST DUNBARTONSHIRE COUNCIL**Report by Chief Officer (Regulatory & Regeneration)****Council: 23 March 2022**

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), and
- ii) notes progress of the Council's City Deal 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 Council is progressing our Exxon Project, which includes working with Balfour Beatty via the Scape Framework as part of the pre-construction agreement to allow the detailed design elements of the project to commence and provide greater certainty regarding the budget position. ExxonMobil are currently remediating the site with extensive plant, equipment, and personnel on site.

5. Glasgow City Region City Deal Update

5.1 The GCR Cabinet met on 15 February 2022. The performance report for Quarter 3 of 2021/22 was presented and approved and is provided at link: [GCR Q3 Performance Report- 2021/22](#), and is available as a background paper on request. The report provides key highlights completed during the period, a comprehensive update across the City Region groups and sub-groups, highlights of each City Deal infrastructure funded project and any associated approval, a project status report, the overall budget position, and the programme risks and issues.

5.2 The Glasgow City Region Clyde metro project is progressing with alignment to the Transport Scotland- Strategic Transport Projects Review 2 (STPR2). A presentation briefing and next steps was provided to the GCR Chief

Executive Group on 3 February 2022 and GCR Cabinet on 15 February 2022. This presentation can be found at Appendix 1. Officers will continue to engage in the process to ensure the Metro extensions being considered benefits as many of our communities across West Dunbartonshire.

- 5.3** The UK Shared Prosperity Fund (SPF) which is replacing the European structural funds across the UK is being developed and an announcement is anticipated in the spring 2022. At the GCR Cabinet meeting of 15 February 2022 an update paper on SPF was presented for noting. This can be found at the following link: [GCR Shared Prosperity Briefing Paper](#). The UK government approach in allocating the £2.6bn funding up to March 2025 is still to be determined. One route being considered is through a regional governance with delivery of project locally across the 8 Local Authorities. The Glasgow City region has a mature mechanism in using this approach and this does align with both Scottish and UK Government preferences. The Council will ensure it is positioned to present suitable projects for consideration as the fund details emerge.
- 5.4** The UK and Scottish Government (SG) have agreed that Scotland would benefit from what is being entitled as 'Green Freeports'. The understanding is that a prospectus will be published by SG in March 2022 seeking competitive bids to secure the status of 'Green Freeport' in two locations in Scotland. The Council has been in discussion as part of the Glasgow City Region with Inverclyde, Renfrewshire, and North Lanarkshire considering responding positively to a Green Freeport which would include Peel Ports at Inverclyde, Glasgow International Airport in Renfrewshire, Mossend Rail freight facility in North Lanarkshire and to consider the future potential of the Council's Exxon project site. Any direct participation and associated Council expenditure would be brought to committee for determination prior to making any Council commitments.
- 5.5** The GCR Chief Executive's Group met on 3 February 2022 approved two final business case request as follows:
- i) South Lanarkshire Council - East Kilbride Community Growth Area - Jackton Primary School - Final Business Case (FBC). The final approval for the FBC would be sought from the Chief Executives by email following the approval of a related change control request by Cabinet on 15 February 2022, Cabinet approval was secured (see 5.7 below). The approved budget at 3 February 2022 was £10.936m.
 - ii) North Lanarkshire Council – Ravenscraig access Infrastructure – West Coast Mainline Crossing project – Final Business Case (FBC). This was approved with a budget of £22.3m.
- 5.6** The GCR Chief Executive's Group also on 3 February 2022 approved two change control request as follows:
- i) North Lanarkshire Council – A8/M8 Orchard Farm Roundabout. The minor change is to highlight that the Outline Business Case will be submitted in June 2022, four months later than anticipated to reflect and updated programme and to confirm key elements within the OBC. The change control indicates that there is not any impact on the Final Business Case and construction end date.

- ii) Renfrewshire Council – Clyde Waterfront & Renfrew Riverside (CWRR). A moderate change control request where the project wishes to restate its Construction end date from September 2023 to May 2024, a delay of 8 months. This is due to uncertain market conditions, material costs fluctuations and associated risks which have resulted in a delay to the contract finalisation and consequentially delay on the commencement of works. The change control indicates no additional funding is required at present.

5.7 The GCR Cabinet in 15 February 2022 and approved two change control request as follows:

- i) South Lanarkshire Council – East Kilbride Community Growth Area (CGA) – Jackton Primary School. Increased funding required for the project which will be met by savings achieved across other SLC City Deal projects. Project was estimated at £14.25m, however tendering has returned a cost of £18.11m. The timeline has also changed with FBC moved from November 2021 to February 2022 (+3 Months), see 5.5 above. Despite changes SLC have identified that all projects will be delivered and all benefits associated with the CGA programme remain the same, however delivered 12 months later.
- ii) East Renfrewshire Council M77 Strategic Corridor. Change control permission sought to increase the funding approved for grant payments from that currently approved via the business case approval process from £11.61m to £13.1m. This will allow the project to progress with development of the Final Business Case. This change control request has no impact on project scope, timeframe or benefits realisation.

5.8 Renfrew Bridge Project

5.8.1 The £90.6m City Deal funded Clyde Waterfront and Renfrew Riverside (CWRR) Project consists of a new “opening bridge” in the location of Meadowside Street, Renfrew linked to a new road network which links to Dock Street in the north and the new Renfrew North Development Road (RNDR), to the south. The RNDR will run between Meadowside Street, and Argyll Avenue Renfrew to link with Inchinnan Road.

5.8.2 The Contractor has completed some additional investigations on site to inform the detailed design process over last few months. Compilation of quality plans and dialogue with SEPA on the process to allow surrender of the Pollution Prevention Control Licence are on-going.

5.8.3 Next stages of works includes site clearances which commenced in early 2022 and this will be followed by site establishment.

5.8.4 The first Project newsletter has been compiled and posted to over 3,500 residents and businesses in the local area. This newsletter provides links to the project website and gives an opportunity to sign up to future digital newsletters. This is available online at the following link: www.CWRR-Newsletter-Issue-1. Posters advising the website address are also being delivered to public buildings in the project area.

5.8.5 The Elected Member briefing took place on 15 December 2021 and provided members the opportunity to hear about progress and ask any question regarding the project. Updates can be provided on request and a further briefing session will be set up after the local elections.

6. West Dunbartonshire Council City Deal Project

6.1 The Council approved budget for the project is £34.05m, however with delays in completing the final business case and price increases globally due to the Pandemic and Brexit there is high risk of increased costs.

6.2 Officers continue to monitor the budget position and as identified in the Council update in December 2021 continue to explore a range of options to manage the budget and anticipated project expenditure.

6.3 The pre-construction agreement with our selected main contract Balfour Beatty has been entered into in early December 2021. This allows officers to progress the project design elements of works and determine more certainty around costs estimates for the project.

6.4 Asset Management continue to progress agreements which are being drawn up with the 3rd party land owners. Once agreements in principal are agreed these will be brought before Council for consideration.

7. People Implications

7.1 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.

8. Financial Implications

8.1 The expenditure for the City Deal project for 2021/22 is currently £314,042 as at February 2022, the total project Capital budget expenditure is £2.550m.

8.2 The approved budget to date for the City Deal Exxon project is £3.448m. This will provide sufficient funding to take us to the Final Business Case in November 2022. The overall Council approved project budget is £34.05m. This is continually monitored and any changes to this will be reported to Council.

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 Outline Business Case and updated by the project board on a regular basis.

10. Equalities Impact Assessment

10.1 An Equalities Impact Assessment is not necessary for this report as it is providing an update on previously agreed actions.

11. Consultation

- 11.1 Consultation with all key stakeholders is progressing as we continue to work as part of the Glasgow City Region.
- 11.2 Legal services, finance and procurement are regularly consulted through their participation in the Exxon project board.
- 11.3 Wider communication is produced regarding progress of the Glasgow City Region at its website <http://www.glasgowcityregion.co.uk/>

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.

Peter Hessett
Chief Officer – Regulatory & Regeneration
Date: 1 March 2021

Person to Contact: Michael McGuinness - Manager, Economic Development. T: 0777 442 8294
michael.mcguinness@west-dunbarton.gov.uk

Appendix: Appendix 1- Clyde Metro Update presentation

Background Papers: [GCR Interim Performance Report- 18 Nov 2021](#), [GCR Education Improvement Collaborative/West Partnership Improvement Plan 2021/22](#), Glasgow City Region City Deal – 28 Council updates since February 2016, March 2021 Elected Members briefing- Renfrew Bridge, July 2020 Members Bulletin.
ExxonMobil Commercial Agreement 24 June 2020.
Glasgow City Region City Deal - Exxon Site Outline Business Cases 22 Feb 2017 and 28 Nov 2018 (Refreshed).
Clyde Valley City Deal - Update and Strategic Business Case- Council 24 June 2015.
Clyde Valley City Deal Update- Council 25 Aug 2015 and 16 Dec 2015.
Clyde Valley City Deal- Governance- Council 17 Dec 2014.
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.
Equalities Impact Assessment November 2018.
Environmental Impact Assessment - [DC20/088 – Planning Application – Documents.](#)

Wards Affected: All