



Glasgow City Region Cabinet

Report by: Director for Regional Economic Growth

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Clyde Metro – Proposed Changes to the Case for Investment Governance Arrangements

Purpose of Report:

This report provides the Glasgow City Region Cabinet with proposed changes to the Clyde Metro Case for Investment governance arrangements.

Recommendation:

The Glasgow City Region Cabinet is invited to:

- a) note the content of the report; and
- b) agree the proposals as set out in the report.

1. Purpose of the Report

- 1.1 This report provides the Glasgow City Region Cabinet with proposed changes to the Clyde Metro Case for Investment governance arrangements.

2. Background

- 2.1 In April 2020, Glasgow City Region Cabinet paused the work on the Glasgow Airport Access Project (GAAP) to allow a review of the Connectivity Commission's

recommendation on a 'metro' and the wider regional opportunities this could lever to be considered.

2.2 Since then, a Metro Feasibility Study, led by Glasgow City Council (GCC), was set up to work on key areas of transformational objectives, economic narrative and transport governance, and operator models to inform and complement the second Strategic Transport Projects Review (STPR2). This supported securing Clyde Metro as a recommendation by Scottish Government in December 2022 as a key priority for future transport investment.

2.3 In February 2023, the Chief Executives' Group (CEG) was advised that the Clyde Metro recommendation contained within STPR2 meant the scope of the GAAP was contained within the wider Clyde Metro network development options and delivery phasing.

2.4 In December 2023, the CEG was advised in a joint paper by Glasgow City Council and Renfrewshire Council that:

- a. the Client Advisory Group had defined the Terms of Reference for the interim governance arrangements associated with Clyde Metro (namely the Political Oversight Group, Programme Steering Group and Client Delivery Group);
- b. the Client Advisory Group had also progressed a scope of services for the main Case for Investment consultancy tender;
- c. the Case for Investment is the next key stage in the development of Clyde Metro and will set out the Programme Business Case and arrangements for the initial delivery phases. It will also take forward work to improve sustainable transport access to Glasgow Airport, and longer-term plans for future phases of the Metro; and
- d. the October 2023 Clyde Metro Programme Steering Group had agreed that the lead role for the development for the CFI stage would move to Strathclyde Partnership for Transport (SPT), working alongside GCC (on behalf of Glasgow City Region) and Transport Scotland.

2.5 Using its delegated authority from Cabinet, the December 2023 CEG:

- a. agreed to allocate £12.155M of the GAAP funding to GCC to hold and disburse funds to support the business case programme development, including entering into agreements with SPT in their lead role and as a procuring organisation for consultancy commissions on behalf of the partners;
- b. delegated the full £12.155M to GCC, with reporting and monitoring of this spend/activity to continue through GCR structures;
- c. noted that given the associated City Deal budget timescales, no further City Deal funding would be required;
- d. noted that GCC as the appointed lead local authority by GCR would work through the detailed practical arrangements with SPT and Transport Scotland to ensure there is a clear agreed plan, including the allocation and management of funding, and the defined roles and remits required for each partner and key stakeholders; and

- e. agreed that SPT would be allocated up to £6.5 million of this funding to develop the Case for Investment programme and the remaining £5.655m would be made available to Glasgow City Council for City Region client and project team resources and additional specialist due diligence advice / research commissions.

3. Proposed New Governance Arrangements

- 3.1 At the Sept 2025 CEG meeting, the Group was advised that, as part of ongoing programme assurance, a CFI Stage 2 Readiness Review was completed by the Clyde Metro Project Team.
- 3.2 The GCR PMO has worked alongside colleagues at SPT to develop proposed amendments to the CFI stage governance arrangements which address the areas for improvement raised in the Readiness Review and seeks to broaden and deepen the eight Member Authorities' role in the development of the CFI.
- 3.3 The intention is that these revised governance arrangements will be implemented in a manner which ensures adherence to the committed timescale for CFI completion of 2027.
- 3.4 The high-level proposed governance arrangements, their scope and applicability and the key associated principles are set out at sections 4 to 13.

4. Scope of the Proposed Metro Governance Arrangements

- 4.1 The proposed governance arrangements relate only to:
 - a. the CFI stage of the Clyde Metro project; and
 - b. the new mass transit scheme's infrastructure/operating requirements.
- 4.2 The proposed governance arrangements do not:
 - a. relate to the delivery (post CFI)/operational phase of the Clyde Metro (n.b. the CFI documents will set out the preferred governance approach for later phases);
 - b. have any locus/standing/applicability in relation to the existing wider public transport system's infrastructure and/or operation;
 - c. replace/substitute Member Authorities' role/representation on any governance structures which are in place to govern the current public transport system e.g. SPT Partnership, etc; nor do they
 - d. seek to include, at this early stage, all of the stakeholders the Clyde Metro project has a dependency upon in relation to granting approvals/consents for its subsequent delivery post CFI stage. Rather, these dependencies will be managed through the proposed arrangements set out at section 5.

5. Managing Dependencies / Constraints with other Key Stakeholders

- 5.1 In developing the CFI, it is recognised that, while elements of the Metro's proposed infrastructure may be delivered on existing Member Authority land/assets (e.g. local road network), as has been the case for many other City Deal-funded projects, there will be requirements for acquisitions (e.g. land and/or existing transport infrastructure assets) and potentially disruptive works impacting on other public transport assets

not in Member Authority ownership/control (e.g. rail). Indeed, while modes are yet to be determined, Transport Scotland's STPR2 Appraisal Report recognises that Clyde Metro 'may include wholly new alignments, reuse of former disused rail infrastructure and/or involve the conversion of existing rail alignments.'

- 5.2 Recognising that co-operation and approvals will be required from many parties which sit outwith the GCR decision making structure (e.g. Network Rail, Scotrail etc), the CFI is being developed in the same way as existing City Deal business cases are, with this staged business case development approach recognising, and allowing for, the fact that many approvals/acquisitions etc will not be granted/complete at CFI stage (equivalent to OBC stage at a programme level) but with the dependencies/constraints/risks associated with these required approvals being managed until such times as final approvals are required/able to be granted i.e. typically post design and pre Full Business Case approval at project stage.
- 5.3 Additionally, dependencies may also exist where, for technical and/or financial reasons, as a mass transit intervention, the Clyde Metro may not be the optimal solution to serve public transport needs in an area. In these circumstances there may be a dependency for other parties to address these needs through their responsibilities e.g. amendments to the bus/heavy rail networks may be more appropriate instead. Therefore, it should be noted that CFI will not be able to address all transport needs across the Region as these are outwith the scope of the CFI.
- 5.4 While SPT will seek to work with partners within the wider public transport system to consider alternative options to address this need through other avenues such as parallel programmes (e.g. bus reform), any decisions associated with these requests will ultimately sit outwith these proposed Clyde Metro CFI stage governance arrangements.
- 5.5 In relation to the above, it should be noted that SPT has confirmed that, to date, no Corridor Alignment Options (CAOs) have been affected, in terms of their prioritisation, as a result of governance or decision-making challenges associated with these dependencies (e.g. the lack of authority over Network Rail infrastructure or broader ScotRail service planning).
- 5.6 The CFI documentation will set out the dependencies, constraints and risks in order that the approval bodies within the proposed structure are fully sighted on these when making decisions on any recommendations set before them.

6. GCR Cabinet Role

- 6.1 To date, the GCR Cabinet's role has been to oversee the City Deal funding allocation to the Clyde Metro CFI.
- 6.2 It is proposed that the Cabinet members now be recognised as **Clyde Metro Project Sponsors** for the CFI Stage, with two key roles as Sponsor:
- a) Cabinet retains oversight of the City Deal funds which are being used to develop the Case for Investment (CFI); and
 - b) Cabinet is recognised as the 'owners' of the CFI document and would be expected to have a lead role in supporting the local delivery of the Clyde Metro and seeking the investment which the CFI is making the case for. Therefore, Cabinet should approve key elements of the CFI documents as set out within Appendix 1 Proposed Decision-Making Approach.

7. GCR Chief Executives' Group Role

7.1 To date, the GCR CEG's role has been to oversee the City Deal funding allocation to the Clyde Metro CFI.

7.2 It is proposed that the CEG members now **provide executive support to the Cabinet members in their role as Sponsors**, including:

- a) Each Chief Executive being charged with making decisions and recommendations to their Leaders/respective Cabinet members with regards to approval of the decisions set out within Appendix 1.
- b) Each Chief Executive ensuring their Member Authority provides adequate resource and input to the Clyde Metro CFI development, with representation from their MA on the Programme Steering Group and relevant Support Groups.

7.3 In addition to supporting Cabinet, the CEG should be the initial point of escalation from the Clyde Metro Programme Steering Group where decisions cannot be agreed/are referred up for more senior input.

8. Clyde Metro Programme Steering Group

8.1 To date, the Clyde Metro Programme Steering Group (PSG) has included membership from GCC (representing all eight Member Authorities) (GCC), SPT and Transport Scotland.

8.2 It is proposed that going forward, PSG membership should include:

- a) SPT Chief Executive Officer (to continue as Group chair);
- b) Transport Scotland (to continue in an assurance role); and
- c) Appropriately senior officers from all eight Member Authorities with responsibility for regeneration/growth/place making etc. These members should be granted delegated authority from their organisations to make decisions at PSG as necessary and as set out in Appendix 1.

8.3 It is proposed that the CEO of GCC continues to participate in the PSG for a transitional period as an 'attendee' rather than a 'member'. This is to ensure that the PSG operates as required and to provide a link to CEG should any matter require to be escalated from PSG to CEG. The CEO of GCC will not have a decision-making role at the PSG as the CEG is the point of escalation for PSG.

8.4 The Director for Regional Economic Growth should continue to participate in the PSG as an 'attendee' to observe/advise. Representatives of other agencies may attend the PSG to provide updates/advice etc as required/invited.

9. SPT's Role

9.1 To date, SPT's role has been to lead the delivery of the Clyde Metro CFI.

9.2 It is proposed that, going forward, SPT:

- a) should be recognised as lead for all workstreams including:
 - CFI;
 - PMO (Programme Management Office);
 - Transformation (n.b. while the work on the Transformation workstream will be delivered by the GCR Place team, SPT will oversee this work, in the same way as they would with an external consultancy/contractor); and
 - Set-Up and Delivery. The work on the 'Set Up and Delivery' workstream should be restricted to identifying a preferred model for delivery but should not seek to implement/set this delivery model up at the CFI stage.
- b) should undertake the Senior Responsible Officer role;
- c) should be recognised and act as the Accountable Body for the Clyde Metro CFI Stage; and that
- d) as Accountable Body, SPT should host/employ staff within the Clyde Metro Programme Management Office, procure consultancy services and undertake all other legal requirements as part of this role.

9.3 SPT will continue to seek any approvals as necessary from their Partnership Board and Committees in line with their governance processes.

10. CFI City Deal Funding

10.1 To date, City Deal funding has been awarded from GCR to GCC, with GCC making a further subsequent award to SPT.

10.2 It is proposed going forward:

- a) City Deal grant be awarded directly to SPT and will not go via GCC;
- b) as grantee, SPT will comply with City Deal grant conditions, Assurance Framework (AF) and Programme Management Toolkit (PMT) requirements.

10.3 Meetings have already taken place between GCR PMO and SPT to ensure AF and PMT requirements can be met and arrangements are in place post Cabinet approval of the proposed approach.

10.4 Following approval by GCR Cabinet, Glasgow City Council officers will advise and seek approval from their relevant committees of the changed remit for GCC.

11. Member Authorities' Role

11.1 To date, Member Authorities have provided representatives for inclusion on the Senior Officers Group, and have had input through various other meetings in support of the CFI workstreams.

11.2 Going forward, it is proposed that:

- a) Member Authorities (MAs) will continue membership of all current CFI Support Groups / Workstream Groups specified by SPT;
- b) a series of future Support Groups should be established by SPT with representation from eight MAs (as required) in order to support the delivery of the overall Integrated Workplan;

- c) MA representation on these groups should include Heads of Services with operational/technical responsibility for regeneration/transport/land use/planning etc;
- d) an allocation of City Deal funding will be made available by SPT to each Member Authority to cover the officer time required for their input to all of the Support Groups and the Programme Steering Group.

11.3 SPT is continuing to update the Integrated Workplan and to determine the resource requirements for each Member Authority to support the further work required for the preferred Corridor Alignment Options identified in their area. An indicative resource requirement will be shared with a future CEG meeting with a proposed allocation for resourcing to be agreed by CEG.

12. Clyde Metro Programme Liaison Group (PLG)

12.1 It is proposed that a new group should be formed with representatives of both UK and Scottish Governments included.

12.2 The Terms of Reference for the Group would require to be developed with members' input but it is anticipated/envisaged that the PLG would be a mechanism for:

- Helping to manage, via Transport Scotland/Scottish Government, dependencies, constraints and risks associated with integrating Clyde Metro with the wider public transport system and the responsibilities of Network Rail/Scotrail;
- engaging with the National Wealth Fund (NWF) following HM Treasury's announcement in Nov 2025 of the Clyde Metro's status as a 'Focus Project' for the NWF as part of the GCR Strategic Partnership Agreement;
- engaging with senior officials involved with wider Regional economic development/regional empowerment in both governments; and
- engaging with Transport Scotland on the post-CFI arrangements for funding this STPR2 project.

13. Proposed Decision-Making Approach and Indicative Timescales

13.1 SPT has developed an overview of the decisions which will be required to be made for the successful delivery of the CFI set out in Appendix 1.

13.2 The proposed approach to decision-making assumes that the PSG, CEG and Cabinet operate together on a quarterly governance cycle that would enable any decisions to be sequentially progressed through each tier of governance across the quarter.

13.3 The timescales set out seek to ensure sufficient scrutiny time is allowed at all three tiers (PSG, CEG and Cabinet) of the structure. However, to enable this it is vital that the CFI programme can maintain positive, uninterrupted progress in line with a tight work programme. Therefore, decisions have been grouped together to reduce the number required and simplify the decision-making process.

13.4 Relevant progress updates will be provided within the Quarterly Performance Report where specific decisions are not required. It is also anticipated that ongoing engagement with key stakeholders, particularly GCR Member Authorities, will take place to support frictionless decision-making through the governance channels.

14. Recommendations

14.1 The Glasgow City Region Cabinet is invited to:

- a) note the content of the report; and
- b) agree the proposals as set out in the report.

APPENDIX 1

Appendix 1: CLYDE METRO CFI - PROPOSED DECISION-MAKING APPROACH AND TIMESCALES

Primary Decision Maker	Secondary Decision Maker	Tertiary Decision Maker
Cabinet	CEG	PSG

Category	Decision	Description	Decision Maker	Technical Inputs Finalised	Decision Point
Q4 2026 GOVERNANCE CYCLE (SEP – NOV)					
Network	Preferred Network Option & Line 1 / Phase 1	Selection of the preferred Clyde Metro network (i.e. collection of routes) based upon the outputs of detailed appraisal and the first phase / line to be taken forward for development of its business case, detailed design and delivery	Cabinet	Q3 2026	Q4 2026
Delivery	Governance & Delivery Model	Identification of the future approach to governance of the Clyde Metro post CFI, including the most appropriate geographical scale and organisation(s) for implementation and operation, as well as the delivery mechanism (e.g. in-house, franchise, arm’s length company, etc.) to be utilised by the organisation(s)	Cabinet	Q3 2026	Q4 2026
Finance	Funding, Finance & Commercial Approach	Identification of the optimum arrangement(s) for funding and financing the delivery of Clyde Metro with a particular focus upon Line 1 / Phase 1. Identification of the approach to fares and pricing including consideration of revenue risk transfer as well as where cost savings and efficiencies can be facilitated. This will also identify the outline ticketing strategy.	Cabinet	Q3 2026	Q4 2026
CABINET SPECIAL MEETING (JANUARY 2027)					
Consultation	Consultation Materials	Approval to consult and the proposed materials for statutory public and stakeholder consultation. These would be based upon the decisions made in the Q4 2026 governance cycle. This would require a special meeting of the Cabinet out with the usual governance cycle.	Cabinet (Special Meeting)	December 2026	Jan 2027
Q2 2027 GOVERNANCE CYCLE (MAR - MAY)					

APPENDIX 1

Delivery	Organisational & Operational Approach	The resourcing and organisational structure(s) required for the delivery and operation of Clyde Metro by the relevant organisation(s). Approach to operational delivery of Clyde Metro for any aspects which impact upon resourcing requirements (e.g. driverless vehicles, ticketing & gate staff, conductors, customer service staff, etc.)	Cabinet	Q1 2027	Q2 2027
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Category	Decision	Description	Decision Maker	Technical Inputs Finalised	Decision Point
Delivery	Fleet, Facilities & Route Infrastructure Approach	<p>Agreement on the strategic approach for fleet procurement as well as the most appropriate fleet ownership and maintenance solutions for Clyde Metro.</p> <p>Identification of depot, control centre and maintenance facilities requirements including locations, size and quantities along with whether new and / or existing facilities should be utilised. Agreement on the ownership, operation and maintenance approach for these facilities.</p> <p>Identification of route related infrastructure required to implement Clyde Metro and whether it is new or existing. Agreement on ownership and maintenance solutions as well as the lead times for consents, construction and / or handover taking into consideration statutory powers and necessary enabling works.</p>	Cabinet	Q1 2027	Q2 2027
Q3 2027 GOVERNANCE CYCLE (JUN – AUG)					
Land-use	Strategic Development Priorities	Identification of strategic land-use development priorities linked to Clyde Metro.	Cabinet	Q2 2027	Q3 2027
Consultation	Consultation Findings	Any substantive changes to be made to the preferred network option and the case for it following review and assessment of the responses to the consultation.	Cabinet	Q2 2027	Q3 2027
Business Case	Programme Business Case	Approval of the overarching business case for Clyde Metro at a network level.	Cabinet	Q2 2027	Q3 2027