

Item 12

26th May 2026



Glasgow City Region Cabinet

Report by: Kevin Rush, Director of Regional Economic Growth

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Regional Empowerment Update

Purpose of Report:

This report updates the Cabinet on progress in developing a regional devolution proposal for the Glasgow City Region following the First Minister's announcement at the State of the City Economy Conference in Glasgow in late 2025.

Recommendations:

The Cabinet is asked to:

- a) Note the contents of this report;
- b) Approve the appointment of Sir Jim McDonald as Chair of the Oversight Group;
- c) Approve the appointment of Chairs for each of the devolution workstreams;
- d) Approve the planned engagement with both governments over the coming weeks; and
- e) Approve the procurement of external consultants to support the development of the detailed proposal as set out in Section 3.4.

1 Purpose of the Report

- 1.1 This report updates the Cabinet on progress in developing a regional devolution proposal for the Glasgow City Region following the First Minister's announcement at the State of the City Economy Conference in Glasgow in late 2025.

2 Background

- 2.1 Following the First Minister's announcement, Glasgow City Region (GCR) Cabinet approved the approach to developing a proposition for devolution to the City Region with a stated aim of having a full proposal by March 2027.
- 2.2 This represents a huge opportunity to develop a specifically Scottish approach to city regional empowerment, recognising the complexity of operation within a devolved nation. It is likely that this will require challenging negotiations and the need to ensure that the City Region develops a value proposition rather than simply a series of asks.
- 2.3 As well as the devolution of powers from Scottish Government, it is clear that GCR's approach needs to actively seek to unlock new funding streams, given the scale of the challenge and opportunity compared to available conventional funding.
- 2.4 Whilst GCR has been hugely successful in securing funding in recent years (e.g. Local Innovation Partnership Fund, Investment Zone, UK Shared Prosperity Fund, Local Growth Fund, 5G Region, Innovation Accelerator, Health Foundation, Maritime Skills etc.) as well as developing a strategic partnership with the National Wealth Fund, there remains a gap between flexibility and scale of available funding and the Region's ambitions as stated in the Regional Economic Strategy.

3 Update

- 3.1 A Steering Group has been established to oversee the development of the detailed proposition. This will be chaired by Professor Sir Jim McDonald, former Principal of University of Strathclyde, Chair of GEL and Chair of Scottish Enterprise.
- 3.2 Chairs have been appointed for each of the previously identified workstreams as follows:

Workstream	Chair
Place Infrastructure and Planning (Housing, and)	Ross Nimmo, Head of Place, Glasgow City Region
Skills	Stella McManus, South Lanarkshire College
Economic Development	Jane Martin, Scottish Enterprise
Transport	Valerie Davidson, Strathclyde Partnership for Transport
Innovation	GEL Innovation Group
Investment	Graham Smith, Glasgow City Council

- 3.3 An additional workstream on inclusion and poverty reduction will also be established, with a Chair identified in the coming weeks

- 3.4 The Scottish Government has confirmed the award of £50k to support consultancy work which the PMO will commission. This will be deployed in addition to existing PMO funding to commission external support for the activities of the workstreams with the following brief:
- Develop a **coherent, compelling devolution proposition** for GCR, covering the full suite of thematic workstreams.
 - Provide **technical, analytical and strategic support** to the workstreams, including governance, finance and legislative considerations.
 - Produce a **negotiation-ready package** for engagement with UK and Scottish Governments.
 - Ensure alignment with the principles set out in the February Cabinet report, including:
 - Additionality to the city region
 - Focus on devolution from central government, not upward from local authorities
 - Compatibility with existing funding arrangements
 - Full involvement of all GCR partners
- 3.5 In addition, Glasgow City Council has commissioned consultancy support to ***“identify and attract new sources of capital into Glasgow and the wider city region, with a particular focus on considering whether an Impact Fund, similar to those in place in Greater Manchester and London, to accelerate housing development, should be created here.”*** Whilst funded by GCC, this work will consider what options should be included within the Devolution proposal and will support the activity of the Investment Workstream
- 3.6 A coordinated approach to inward investment is being trialled at UKREiiF in mid May, with projects from across the region promoted to investors through the Invest Glasgow stand, making use of GCR branding.
- 3.7 A new Regional Skills Manager has taken up post on 11th May and will support the development of the skills proposition through the workstream.
- 3.8 The National Wealth Fund has agreed to provide strategic advice to the Investment workstream as well as across other areas as detailed propositions are developed.
- 3.9 ARUP is hosting a roundtable on 14th May on the value of regional devolution for placemaking in the Glasgow City Region, bringing together key stakeholders to agree areas of focus.
- 3.10 Following the Scottish Parliamentary election, engagement is now underway with senior Scottish Government civil servants to discuss timescales for planned legislation.
- 3.11 At UKREiiF, engagement is planned with senior officials in HMT and Core Cities to discuss UK Government involvement in the development of the GCR Devolution Deal.
- 3.12 The PMO has commenced work looking at developing inclusive growth principles to embed within each of the workstreams. These will form part of the TORs for each workstream to ensure that the GCR Devolution Deal focuses on supporting the development of an economy which works for all citizens.
- 3.13 Timescales remain on track for submission of a full proposal by March 2027.

4 Recommendation

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- d) Approve planned engagement with both governments over the coming weeks; and
- e) Approve the procurement of external consultants to support the development of the detailed proposal as set out in Section 3.4.