

**SCOTTISH CITY REGION DEALS DELIVERY BOARD
ANNUAL CONVERSATION 2018-19
GLASGOW CITY REGION DEAL**

Attendees	Date	18 February 2019
Scottish Government (SG) Joe Brown (JB), Morag Watt (MW) & Robert Martin (RM) Scotland Office (SO) Rebecca Hackett (RH) & Clare Paterson (CP) UK Government (UKG) Donald Bogle (DB) Glasgow City Council Annemarie O'Donnell (AO), Martin Booth (MB), Kevin Rush (KR), Mandy McDonald (MMc) East Dunbartonshire Council Gerry Cornes (GC) West Dunbartonshire Council Joyce White (JW)	Time	10:00
	Location	Glasgow City Chambers, Glasgow
	Chairperson	Rebecca Hackett
	Note Taker	Nicola Birrell

Actions and decisions

1	Glasgow CRD to provide a sequencing plan to SG and UKG to cover all parties involvement in lead up to Gateway Review	PMO
2	Follow up letter will be sent to all parties with Key Actions and note of meeting.	Scottish Government
3	Date of next Annual Conversation to be set – aiming for September.	Scottish Government
4	Science Innovation Audits to be shared with Government partners when available	PMO

Issues Discussed

Point	Description
1	Welcome and Introductions RH welcomed everyone and expressed thanks to GCC for hosting the meeting. Attendees introduced themselves around the table. JB advised that a new Deputy Director has been appointed for SG side to replace Oonagh Gil and JB currently acting DD.

2	<p>Scene Setting / Purpose of Annual Conversation (AC)</p> <p>RH advised the group that the purpose of the Annual Conversation is to celebrate success and discuss progress, informed by the Annual Report. These conversations present an opportunity to reflect and work through any concerns that local partners and governments have about the implementation of the deal and the ambitions for the deal going forward.</p> <p>Following the publication of the Scottish Parliament's Local Government and Communities Committee (LGCC) report in January 2018, the Scottish City Region Deals Delivery Board is continuing to strengthen its governance processes by engaging in an Annual Conversation.</p> <p>It was noted that due to timing issues the initial Glasgow AC was taking place post-publication of annual report. Future Annual Conversations will take place at draft report stage.</p>
3	<p>Delivery of the Deal to Date</p> <p>JB invited Glasgow CRD to outline their key highlights, deliverables, outcomes and challenges. KR took the lead on outlining progress since March 2018:</p> <p>KR cited the strong governance and clear partnerships that have been established for Glasgow CRD as particular highlights. Pleased with progress over all.</p> <p><u>Infrastructure</u></p> <p>There has been substantial progress with £139m spent by end of last year and more to be committed this year. Key milestone was met recently at cabinet with the last strategic business case submitted – all 20 now submitted. Delivery has ramped up over the last year, especially in Glasgow City. Started an exercise last year to ensure all OBCs are Green Book compliant. All member authorities are going through this process with 11 augmented OBCs assessed and the rest expected to be complete this year.</p> <p>The SQW 1 year out report was both a highlight and a challenge - has led to slippage in delivery from deal perspectives as they need to focus on paperwork, on the other hand has shown good governance.</p> <p>There has been slippage in some of the projects. Meeting is being held to drill down into specific barriers – variety of different causes. High profile examples of slippage – Airport Access Project and Clydeside Waterfront and Renfrew Bridge – Clydeside waterfront now moving, Airport Access Project may still be able to meet original timeframes with PRT option under consideration.</p> <p>Sauchiehall Street fire took place just as The Avenues project was just about to start which understandably has led to slippage.</p> <p>The Airport Access Project team, Transport Scotland and Jacobs held</p>

discussions which led to agreement not to do any more work on tram train. Instead, developing next best option which was Personal Rapid Transport. Also agreed to enhance the revised OBC for this with development of surrounding area. There are existing transport issues in connecting airport area with Paisley Gilmour Street. There will therefore be a positive impact on employment opportunities, inclusive growth and connectivity. The aim is to contain project within original tram train business case timescales.

JB highlighted how this example showed additionality and how projects can evolve via effective change management - key issues for the Deal as a whole.

GC pointed out that slippage is not uncommon in large scale capital programmes and flexibility is key. Clear governance ensures that project selection is fair, transparent and based on merits.

RM asked what had happened in relation to the North Lanarkshire and Ravenscraig proposal at the recent Chief Executives meeting. KR advised it had been pushed back for further work prior to going to cabinet

KR stated that both governments have always been quite clear that they are open to CRD changing things and that project selection and approval rests with Glasgow City Region Cabinet. Requested assurance from governments that if desire is there to change project selection then the flexibility is there.

MW confirmed that Glasgow City Region Cabinet have the ultimate power on project selection and approval and provided assurance on flexibility.

Additionality

KR explained that Glasgow CRD has commissioned Fraser of Allander to do work on a new regional economic model with an Information hub officer working with Fraser of Allander to do this. Glasgow CRD will own this model and it will help in the understanding of the additionality of CRD projects. It can also be used for any future projects/funding. Will allow more efficient assessment of business cases. Won't just be GVA calculation but will include an element of qualitative assessment.

JW pointed out that CRD has allowed Local Authorities to work collaboratively as a city region. Creates huge opportunities, and for a smaller authority allows participation in metropolitan Glasgow which is of massive benefit. Using CRD as a lever for change. Has led to strengthening of regional partnership.

GC stated that the benefits are more than just the infrastructure projects of the CRD as there has been greatly improved communication, partnership working and the community benefits are felt through the wider city region.

KR explained that regionalisation would not have happened to the same extent

without the CRD. It has spurred regional working in other areas, e.g. new tourism plans, education collaborative, etc. New regional economic strategy out to other agencies and partners to participate in the creation of this. Trying to have as much planning as possible based on the CRD boundaries.

JW advised that West Dunbartonshire Council has created shared posts with Inverclyde (Head of Roads) to foster better collaboration and looking at some back office posts as well. Smaller local authorities don't have the back-up and therefore looking to identify where they can collaborate to deliver services. Also able to bring in a greater degree of partner agencies at a regional level as opposed to local level. Some National agencies could align better with regional planning model and it was noted that the region can do more to approach these agencies collectively rather than individually.

JB asked whether businesses are engaging on a local/regional basis?

KR advised that businesses engaging regionally has been one of the challenges. Scottish Enterprise moving to regional planning and that is helping but more to be done.

AO stated that there was a desire from business community to engage better as they see the value of this. Working regionally means that they can do it once rather than engaging with each local authority individually. Also a consistency that they can expect from the CRD.

Skills and employment

KR explained that the skills projects were a challenge initially. There are 3 projects: youth gateway (funded by the councils) was a huge success and will morph into a single-offer programme; in-work progression was very successful. It focused on the care sector and there is a desire to use core funding to expand into childcare; Working Matters had teething issues with DWP but were able to change aspects of program. Coming to an end now, met many of the targets and most of funding allocated spent.

JB highlighted the variation in outcomes across member authorities based on annual report and asked whether this had been addressed since publication

KR explained that there were a lot of challenges with the client group and some local authority areas have particular issues because of the entrenched nature of the problems. There was an underspend of about £400k from DWP and they have agreed to this being reallocated to a similar project and commitment from them to work flexibly on what this will be. CRD hope to match fund this. A lot of learning can be taken from this project.

JW added that where benefits have not been spread equally this is challenging partners to think about what else can be done using more creative approaches.

MB explained that the performance indicators may not reflect the long journey

that jobless are on and when working with those furthest removed from the workplace then different milestones may need to be considered other than just getting into a job, e.g. sometimes it is about increasing socialisation as a first step.

KR confirmed work has strengthened relationship with DWP and this is another benefit of the CRD, e.g. resolving issues with UC more efficient

RH advised that if there are issues with National Agencies in terms of working relationships that can be improved Government partners are happy to assist with this.

Innovation

KR explained that there are three innovation projects: Medicity, ICE and Tontine. All three are very successful and have led to the creation of three innovation districts all spurred on by CRD investment.

Tontine was used as the pitch to Channel 4 which was ultimately successful and Glasgow will be the location of one of their Creative Hubs. ICE has brought academia, NHS and companies together. Science Innovation Audits (SIAs) held on City Centre and West End Innovation Districts

Glasgow is now planning to promote this work at Mipim and this innovation would not have happened without CRD investment

RH advised that both governments would be very keen to see how communications can be organised more closely in general and around the audits.

MMc explained that the SIA documents are currently held by BEIS but hope to be able to share once ready. Also advised that in terms of asks from government, would requested that if Brexit impacts on innovation work there is assistance from government partners

Equality Impact Assessment

MMc advised that the new Assurance Framework asks projects to submit their Equality Impact Assessments. Also inviting comments on Assurance Framework from Equality and Human Rights Commission (EHRC).

Socioeconomic duty (introduced April 2018) incorporated as part of this process.

KR highlighted importance of relationship with EHRC and having their input on an ongoing basis.

Challenges

In addition to the slippages in infrastructure projects outlined earlier in the meeting KR advised that because CRD infrastructure funding is capital based it restricts revenue investment. The Glasgow City Region are therefore look at other opportunities to identify funding for revenue projects.

4	<p>Forward Look</p> <p>The group discussed anticipated developments with the Deal:</p> <p><i>Gateway Review</i></p> <p>RH explained that UKG at an early stage of planning how Gateway Reviews will work. Initial conversations have taken place about what's expected to be involved. A political conversation at ministerial level about the overall approach needs to take place – hoping to get indication from this in near future and then cascade info to Glasgow CRD. Time will be required for evidence base to be prepared and then to go through each stage of review and engagement.</p> <p>DB pointed out that there is acceptance that some projects at a very early stage. It will be useful to have examples of the benefits realisation taking place (as outlined earlier in meeting).</p> <p>KR advised that it would be useful to have some guidance on what will be required for submission so that the CRD have enough time to pull together the evidence</p> <p>MW suggested that the CRD should consider what would the Cabinet want to see as evidence of benefits, it's not just government partners who need to be convinced of value of CRD.</p> <p>MMc explained that Glasgow CRD also want to start discussions about Gateway 2 and 3 and SWQ's role. Can Glasgow move forward independently or will they still be linked with other cities of cohort 1.</p> <p>RM pointed out that the SQW report highlighted the flexibility of CRD, e.g. Avenues Project or Barclays</p> <p><i>Assurance framework</i></p> <p>MMc explained that this is being refreshed currently. It has been issued to both UKG and SG along with Programme Business Case and benefits assessment. Preference to go back to April cabinet to get new Assurance Framework approved. New document removes duplicates, updates definitions, adds new equality duties, includes cabinet decisions to date and also includes a change mechanism. It has been refined to the core principles of the Assurance Framework with appendices for procedural information.</p> <p>MW raised the need for a plan of how the CRD and 2 governments will move through the processes required to ensure all deadlines met as each party will need to ensure sufficient time for their own processes.</p> <p><i>Benefits realisation</i></p> <p>RH reiterated that the Benefits Realisation Plan is out for consultation just now</p>
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	<p>along with the Assurance Framework. Asked whether there was any difficulties for the PMO in aligning these pieces of work.</p> <p>MMc explained that the main difficulty was around terminology and definitions which change depending on document. CRD now have access to Senefits which is an online tool that Edinburgh CRD are using to record the benefits being generated by CRD. Looking to roll this out across Glasgow CRD. KR advised that all Glasgow CRD local authorities will be adopting this as standard Business As Usual toolkit</p> <p>MW asked whether in relation to business engagement Glasgow CRD had made any progress as a result of the group Lord Haughey is chairing. KR - Lord Haughey thinks it is slightly premature to try to fit the group's work with CRD as some projects very early stage</p> <p>RH - Shared Prosperity Fund, development work on this will continue through this year.</p>
5	<p>AOB</p> <p>Glasgow CRD had asked that new regional perspectives be added to the agenda</p> <p>KR noted that at a national level agencies are coming on board with this. An ask from government that this regional boundary is borne in mind – funding at a regional level would allow partnership to operate more effectively. There have been instances outwith CRD where government is engaging with City Region simultaneously on a regional basis and with each local authority individually. Looking for consistency in structures or policy.</p> <p>JB asked for clarification as to whether different parts of government were connecting with Local Authorities in different ways (local vs regional)?</p> <p>KR advised that sometimes this is down to LA who approach individually. Noted huge change in Scottish Enterprise approach over the last year.</p> <p>JW & AO both highlighted work being done via CRD to identify what work is happening that doesn't need to within portfolio areas - improving efficiency and collaborative working outwith the CRD.</p> <p>RH invited comments on the working relationship with UKG – is there enough attention being given to more strategic issues, e.g. Brexit and Shared Prosperity Fund</p> <p>AO this is a conversation that CRD would like to visit over this year and see what the key priorities are for UKG in terms of investment and growth to ensure that CRD can work towards funding proposals that are appropriate. Work via CRD has developed skills and tools to form funding proposals but not always clear what the UKG direction is in terms of inward investment. Also advised there would be increased value if ministers visit CRD area to see the development resulting from investment.</p> <p>RH looking to how we can facilitate strategic conversation at chief exec/leader</p>

	level and best practice sharing among PMOs across CRDs and to increase communications work around CRD. Will update CRDs in due course
6	<p>Next Steps</p> <p>Follow up letter will be sent to all parties with Key Actions and note of meeting.</p> <p>Date of next Annual Conversation to be set – aiming for September.</p> <p>RH advised that if a specific conversation is required around Gateway Review between Glasgow CRD and partners then this could be organised prior to AC. However, it was agreed that the PLG can be used for this purpose</p>
7	<p>Summary & Close</p> <p>The Chair closed the meeting and thanked Glasgow CC for hosting.</p>