

**GLASGOW CITY REGION CABINET.**

Minutes of meeting held on 4th June 2019 at the City Chambers, Glasgow.

**Present:** Councillor Susan Aitken (Chair), Glasgow City Council; Councillor Andrew Polson, East Dunbartonshire Council; Councillor Colm Merrick, East Renfrewshire Council; Councillor Stephen McCabe, Inverclyde Council; Councillor Allan Graham, North Lanarkshire Council; Councillor Iain Nicolson, Renfrewshire Council; Councillor John Ross, South Lanarkshire Council; and Councillor Jonathan McColl, West Dunbartonshire Council.

**Apologies:** Councillors Tony Buchanan and Paul O’Kane, East Renfrewshire Council; and Councillor Jim Logue, North Lanarkshire Council.

**Attending:** N Lyttle (Clerk); K Rush, W Hart, C Keaveny, M McNally and P Murphy, Glasgow City Council; G Cornes, East Dunbartonshire Council; L McMillan, East Renfrewshire Council; A Fawcett and S Jamieson, Inverclyde Council; K Bryson, North Lanarkshire Council; S Black, Renfrewshire Council; L Freeland, South Lanarkshire Council; J White, West Dunbartonshire Council; D McNulty, Commission on Economic Growth; and K England, Climate Ready Clyde.

**Minutes of previous meeting approved.**

**1** There was submitted and approved the minutes of 9th April 2019.

**Internal Audit – Glasgow City Region City Deal – Review of Programme and Programme Management Office budget monitoring – Findings noted.**

**2** There was submitted a report by the Head of Audit and Inspection, Glasgow City Council advising of the main findings of a review of Programme and Programme Management Office budget monitoring.

After consideration, the Cabinet

- (1) noted the contents of the report and the 4 actions for improvement, as detailed in the appendix to the report; and
- (2) instructed the Head of Audit and Inspection to provide a follow-up report showing progress towards achievement of the action plan arising from the audit undertaken.

**Internal audit follow up report noted.**

**3** There was submitted a report by the Head of Audit and Inspection, Glasgow City Council, providing an update on follow-up audits on action taken to implement

audit recommendations which had previously been agreed following the findings of reviews of risk and issue management and mitigating actions, Programme Management Office governance and operations and compliance with Assurance Framework programme and project management arrangements.

After consideration, the Cabinet noted the report and that the Head of Audit and Inspection would provide further reports on the implementation of outstanding recommendations.

#### **Internal Audit Annual Report and Annual Governance Statement 2018/19 approved.**

**4** There was submitted a report by the Head of Audit and Inspection, Glasgow City Council regarding this Cabinet's Internal Audit Annual Report and Annual Governance Statement 2018/19, advising that

- (1) the Annual report provided a review of the performance of Internal Audit for 2018/19 and gave an opinion on the adequacy of the Glasgow City Region Cabinet system of internal control;
- (2) the Annual Governance Statement, detailed in an appendix to the report, outlined
  - (a) the appropriate governance arrangements of the Cabinet in accordance with the Local Authority Accounts (Scotland) Regulations 2014; and
  - (b) updates on significant governance issues as well as those issues which had been previously reported on.

After consideration, the Cabinet

- (i) noted the Internal Audit Annual Report 2018/19; and
- (ii) approved the Annual Governance Statement 2018/19.

#### **Programme Status report noted etc.**

**5** There was submitted a Programme Status report by the Director of Regional Economic Growth providing information on the status and progress of projects within the Glasgow City Region - City Deal Programme together with information on Programme Management Office activity for the period from 1st January to 31st March 2019.

After consideration, and having heard a verbal update by Des McNulty, Vice Chair of the Commission on Economic Growth, advising

- (1) that the Scottish Government had been represented at the Commission meeting on 20th May 2019, when it had been agreed that Commissioners would liaise with both governments regarding the timescales of the Gateway Review process and how this fitted in with the Member Authority budget setting process;
- (2) that the Connectivity Commission would be presenting at the next meeting of the Commission scheduled for 18th June 2019;
- (3) of an update on the Commission's work on project change mechanism incorporating inclusive growth; and
- (4) of progress on work which the Commission was undertaking setting out a number of high level inclusive growth indicators to inform the review of the Assurance Framework and Programme Business Case,

the Cabinet

- (a) noted the report and the Commission update; and
- (b) approved a number of Infrastructure Change Controls, as detailed in the report.

#### **Glasgow City Region Cabinet – 2018/19 unaudited annual accounts approved.**

**6** There was submitted a report by the Executive Director of Finance, Glasgow City Council regarding the Glasgow City Region Cabinet unaudited accounts for the year ended 31st March 2019, advising of

- (1) the financial performance of the Cabinet for the year ended 31st March 2019;
- (2) the income and expenditure incurred in the year relating to the provision of services for the Cabinet, which had included a nil surplus on the provision of services; and
- (3) details within the report which provided further explanation for certain aspects of the core financial statements.

After consideration, the Cabinet approved the income and expenditure statement, balance sheet and the relevant supportive notes for the unaudited accounts for the year ended 31st March 2019.

#### **Infrastructure grant allocations 2019/20 approved.**

**7** There was submitted a report by the Director of Regional Economic Growth regarding the proposed allocation of Infrastructure Grant to each Member Authority for 2019/20, advising that

- (1) the initial position in relation to 2019/20 allocation of grant had been agreed in principle by the Finance Strategy Group and subsequently by the Chief Executives' Group;
- (2) the proposed 2019/20 grant allocation, detailed in an appendix to the report, was based on Member Authorities' cumulative actual and projected spend levels to 31st March 2019 and also reviewed the percentage share of the overall grant allocation of the projects; and
- (3) member authorities could only claim eligible expenditure up to the level of their grant allocation for 2019/20.

After consideration, the Cabinet approved the 2019/20 allocation of Infrastructure grant to each member authority, as detailed in the appendix to the report.

### **Annual Implementation Plan 2019/20 approved.**

**8** There was submitted a report by the Director of Regional Economic Growth regarding the Annual Implementation Plan (AIP) 2019/20, advising that

- (1) the AIP was a requirement of the Assurance Framework and provided a statement of the intentions and details of planned activity for the coming year; and
- (2) the AIP touched on aspects of the delivery of both the Glasgow City Region City Deal and the Glasgow City Region Economic Strategy, both of which were integral to the ambitious plans for inclusive economic growth.

After consideration, the Cabinet

- (a) approved the AIP 2019/20; and;
- (b) noted that actions set out in the Plan would be monitored, with progress updated and reported in the quarterly Programme Status report.

### **Infrastructure Programme – Inverclyde Council – Greenock Ocean Terminal – Augmented Outline Business Case approved etc – Declaration of interest.**

**9** With reference to the minutes of 11th October 2017 approving the Outline Business Case (OBC) in respect of the Greenock Ocean Terminal project, there was submitted a report by the Director of Regional Economic Growth intimating that Inverclyde Council had submitted an augmented OBC in respect of that project to reflect the comments of the initial review of OBCs to ensure Green Book compliance, which, following evaluation by the Programme Management Office, had been considered and approved by the Chief Executives' Group on 29th May 2019 and was now being submitted to Cabinet for approval, advising

- (1) that the augmented OBC had been reviewed and appraised and was considered fully compliant with HM Treasury Green Book requirements;
- (2) of the change to the scope of the project from the previously approved OBC;
- (3) that the OBC was not seeking any further funding at this stage;
- (4) of the relevant updates that had been identified between the initial and augmented OBC, as detailed in the report;
- (5) of the relevant benefits realisation differences between the initial and augmented OBC, as detailed in the report;
- (6) of further information that would require to be submitted within forthcoming FBCs aligned to the Ocean Terminal OBC, as detailed in the report; and
- (7) that it was proposed that the approval of this business case was subject to Inverclyde Council carrying out an assessment of the ongoing environmental impacts of the project and provide this information to the PMO within the subsequent FBC for the Landside Works.

After consideration, the Cabinet

- (a) approved
  - (i) the changes to the scope of the Ocean Terminal Augmented OBC, as detailed in the report; and
  - (ii) the augmented OBC for Ocean Terminal which, following appraisal, was considered to be compliant with HM Treasury Green Book; and
- (b) noted the areas of further development that required to be undertaken for subsequent FBCs, as detailed in the report.

Councillor McCabe declared an interest in this item and took no part in the decision thereon.

**Infrastructure Programme – North Lanarkshire Council – Motherwell Town Centre Transport Interchange project – Augmented Outline Business Case approved etc – Declaration of interest.**

**10** With reference to the minutes of 10th April 2018 approving the Outline Business Case (OBC) in respect of the Motherwell Town Centre Transport Interchange project, there was submitted a report by the Director of Regional Economic Growth intimating that North Lanarkshire Council had submitted an augmented OBC in respect of that project to reflect the comments of the initial review of OBCs to ensure Green Book compliance, which, following evaluation by the Programme Management Office, had been considered and approved by the Chief

Executives' Group on 29th May 2019 and was now being submitted to Cabinet for approval, advising

- (1) that the augmented OBC had been reviewed and appraised and was considered fully compliant with HM Treasury Green Book;
- (2) of a number of updates to the content of the augmented OBC, as detailed in the report;
- (3) that the OBC was not seeking any further funding at this stage; and
- (4) of the relevant financial and benefits realisation differences between the initial and augmented OBC, as detailed in the report.

After consideration, the Cabinet

- (a) approved
  - (i) the updates to the content of the Business Case made during the augmentation of the Motherwell Town Centre Transport Interchange OBC, as detailed in the report; and
  - (ii) the augmented OBC for Motherwell Town Centre Transport Interchange which, following appraisal, was considered to be compliant with HM Treasury Green Book; and
- (b) noted that no additional funding was required for this project.

Councillor Graham declared an interest in this item and took no part in the decision thereon.

**Infrastructure Programme – South Lanarkshire Council – Cathkin Relief Road project – Augmented Outline Business Case approved etc – Declaration of interest.**

**11** With reference to the minutes of 20th October 2015 approving the Outline Business Case (OBC) in respect of the Cathkin Relief Road project, there was submitted a report by the Director of Regional Economic Growth intimating that South Lanarkshire Council had submitted an augmented OBC in respect of that project to reflect the comments of the initial review of OBCs to ensure Green Book compliance, which, following evaluation by the Programme Management Office, had been considered and approved by the Chief Executives' Group on 29th May 2019 and was now being submitted to Cabinet for approval, advising

- (1) that the augmented OBC had been reviewed and appraised and was considered fully compliant with HM Treasury Green Book;
- (2) of a number of updates to the content of the augmented OBC, as detailed in the report;

- (3) that the OBC was not seeking any further funding at this stage; and
- (4) of the relevant financial and benefits realisation differences between the initial and augmented OBC, as detailed in the report.

After consideration, the Cabinet

- (a) approved
  - (i) the updates to the content of the Business Case made during the augmentation of the Cathkin Relief Road OBC, as detailed in the report; and
  - (ii) the augmented OBC for Cathkin Relief Road which, following appraisal, was considered to be compliant with HM Treasury Green Book; and
- (b) noted that no additional funding was required for this project.

Councillor Ross declared an interest in this item and took no part in the decision thereon.

### **Business cases dealt with by Chief Executives' Group noted.**

**12** With reference to the minutes of 11th October 2017 agreeing a revision to the Assurance Framework in relation to the approvals required for business cases, there was submitted and noted a report by the Director of Regional Economic Growth advising that the Chief Executives' Group had approved, under delegated authority,

- (1) the Full Business Case (FBC) element and funding requirement of £1.079m for South Lanarkshire Council's Hamilton Community Growth Area – Woodfoot Road Transport Corridor Junction Improvements project;
- (2) the FBC element and funding requirement of £2.686m for Glasgow City Council's Canal and North Gateway – FBC 5 – Speirs Lock: Landscape Link and Port Dundas: North Canal Bank Street project;
- (3) the FBC element and funding requirement of £6.1m for Glasgow City Council's Metropolitan Glasgow Strategic Drainage Partnership South East Glasgow Surface Water Management Plan project; and
- (4) the FBC element and funding requirement of £4m for Inverclyde Council's Ocean Terminal Marine Works project, subject to this Cabinet's approval of the Ocean Terminal Augmented Outline Business Case referred to at paragraph (9) above.

### **Working Matters Successor Programme approved.**

**13** There was submitted a report by the Director of Regional Economic Growth providing an update on progress in developing a successor programme utilising the Working Matters (WM) project underspend, advising

- (1) that the WM project had concluded on 31st March 2019 with an anticipated underspend in the region of £370,000, which the Department for Work and Pensions (DWP) had agreed could be used for a flexible employability programme to provide a service to priority target groups;
- (2) that an outline proposal had been agreed by the Chief Executives' Group (CEG) in March 2019, with East Renfrewshire Council confirming that it did not intend to participate in the successor programme, and following which all remaining member authorities (MAs) had confirmed participation, with the DWP agreeing that Glasgow City Council would continue as the Operational Lead and Lead Accountable Body for the successor programme;
- (3) that the Finance Strategy Group and the CEG had agreed the WM 2018/19 Statement of Grant Usage which had highlighted a split of grant/match at 47/53%, with an expected remaining underspend of approximately £530,000 to be utilised by the proposed WM successor programme, as detailed in the report; and
- (4) of the anticipated grant share and match funding requirement, detailed proposals from all 7 participating MAs, and a breakdown of costs and target beneficiaries by MA, all as detailed in the report.

After consideration, the Cabinet approved the WM successor programme proposal, as detailed in the report.

### **Climate Ready Clyde – Creation of a Climate Adaptation Strategy and Action Plan for Glasgow City Region – Position agreed etc.**

**14** There was submitted a report by Councillor Andrew Polson, Leader of East Dunbartonshire Council and Land Use and Sustainability portfolio lead providing an overview of Climate Ready Clyde and the work that had been undertaken to date and proposing arrangements for working with Glasgow City Region on the development of an Adaptation Strategy and Action Plan, advising

- (1) of the background to Climate Ready Clyde, whose focus was solely on climate change adaptation;
- (2) that effective adaptation offered a wide range of benefits for Glasgow City Region, as detailed in the report; and
- (3) of the key risks and opportunities that Glasgow City Region faced from climate change, as well as the emerging approach to developing Glasgow



City Region's first Climate Change Adaptation Strategy and Action Plan being progressed by Climate Ready Clyde, all as detailed in the report.

After consideration and having heard a presentation by Kit England, Climate Ready Clyde, the Cabinet endorsed the creation of a Climate Change Adaptation Strategy and Action Plan, to be developed in partnership with Climate Ready Clyde.

**Date of next meeting.**

**15** The Cabinet noted that the next meeting would take place on Tuesday, 13th August 2019 at 1000 hours in the City Chambers, Glasgow.