

2018/19

ANNUAL PERFORMANCE REPORT



GLASGOW
CITY REGION
City Deal

Key achievements to date



All projects

selected and funding
allocated



>£31 million

52% of all Tier One contracts
won by local companies



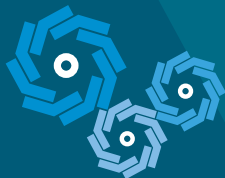
27

high level City Deal Projects:
7 projects and
7 sub projects completed
to date



8,000

young people
supported into
employment
through Youth
Gateway



**Over
£263 million**

infrastructure spend
approved



83

total business
cases approved/
noted by Cabinet
to date

Welcome

The Annual Performance Report for the period ending 31 March 2019 marks four years into Glasgow City Region's City Deal agreement - the first to be established in Scotland and to benefit from funding from both the Scottish and UK Governments. Our City Deal remains one of the largest of the 30 UK City Deals agreed to date.

In the period covered by this report we have continued to make significant progress, strengthening our partnership of eight councils, as well as our structures and governance arrangements. Almost all of the projects are already underway or completed.

Good momentum continues in the delivery and impact of the infrastructure projects and the City Deal investment, coupled with other funding and partnerships, is providing a transformative catalyst for Regional growth.

City Deal funding for improved connectivity and remediation is already unlocking land in key locations for private development. The new Barclays Hub is a prime example. One of the largest inward investments in Glasgow, it has been realised thanks to extensive remediation and development across Glasgow's riverfront. Thousands of new mixed tenure homes are also coming through across the Region on the back of City Deal projects. And our three developing Innovation Districts, which are underpinned by City Deal investment, will be truly transformational. These will set us apart as an emerging City Region of Innovation, driving economic growth, competitive advantage and inward investment.

We can now also report that all six of our Employability, Innovation and Business Growth projects are completed. These have created thousands of new jobs and continue to support local businesses and generate millions in private investment. Evaluation of the three Employability schemes will provide the opportunity for learning to improve further Regional schemes.

To date over £200 million has been spent on the Programme over our four years of operation, with grants from Government of £143 million.

This report predates our first Gateway Review, an important milestone which is set to release the next tranche of funding from the Scottish and UK Governments. Our Gateway Report will be submitted to Government in December of this year.

We have much to look forward to in the next 12 months. A number of further milestones are expected across some larger infrastructure projects, further outcomes are planned and will begin to be delivered in our ambitions for Regional economic growth and we remain confident of a favourable Gateway Review in early 2020.



Susan Aitken

Leader of Glasgow City Council and
Chair of the Glasgow City Region Cabinet



City Deal in numbers



£1.13 billion

Infrastructure programme



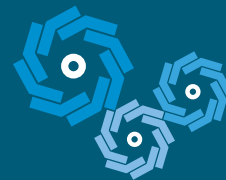
27

projects over three themes



£18.7 million

funding to support
Innovation and Business
Growth



£24.6 million

Skills and Employability
schemes

£3.3 billion

private sector
investment



Supporting
5,500
people back
into work

£2.2 billion

additional GVA per
annum



Work with
19,000
unemployed
residents



Overview

Glasgow City Region is the largest city region in Scotland and one of the largest in the UK. With a population of 1.8 million people, it is a key engine of economic growth for both the Scottish and UK economies, generating 32% of Scotland's Gross Value Added, 33% of Scottish jobs and is home to 29% of all businesses in Scotland. Eight local authorities make up the region: East Dunbartonshire, East Renfrewshire, Glasgow City, Inverclyde, North Lanarkshire, Renfrewshire, South Lanarkshire and West Dunbartonshire.

Our ground-breaking City Deal, the first in Scotland and one of the largest in the UK, was signed in August 2014 by the Member Authorities with the UK and Scottish Governments.

The partnership, with Glasgow as the lead authority, was the first to benefit from funding from both the UK and Scottish Governments, with £500 million provided from each for infrastructure investment and the local authorities contributing a further £130 million.

The £1.13 billion infrastructure fund will deliver 21 projects focusing on improving connectivity and unlocking new sites across the region for commercial, housing and retail development.

A further three innovation projects have been supported by £18.7 million funding from the Department for Business, Energy and Industrial Strategy (BEIS) and three employment projects are funded to £24.6 million through contributions from the Department for Work and Pensions and the Member Authorities.

Together these City Deal projects will enable a programme of work which will greatly add to the value of the local economy over the next 20 years.

Over its lifetime, it is estimated that the City Deal will:

- Deliver £2.2 billion in additional GVA per annum (a 4% uplift) across the City Region;
- Support an additional overall increase of around 29,000 jobs in the City Region;
- Create 15,000 construction jobs through the ten year City Deal construction programme;
- Work with 19,000 unemployed residents and support over 5,500 back into sustained employment;
- Lever in an estimated £3.3 billion of private sector investment to support the delivery of the projects within the infrastructure programme;
- Spread the benefits of economic growth across the Region, ensuring deprived areas benefit.





APRIL 2018

- > **Gateway Review 1:** Draft Local Evaluation Plan approved
- > **Glasgow City Regional Partnership** formally approved
- > **Internal Audit Plan** 2018/2019
- > **Annual Performance Report** 2016/17
- > **Annual Implementation Plan** 2018/19
- > **Budget** 2018/19
- > **Revised BC** appraisal table approved
- > **CAB** approves plans for improved Travel Interchange at Motherwell
- > **Full Business Cases approved:** CWWEIQ: Central Govan Action Plan (Ph 1 & 2); Canal and North Gateway: FBC 3 Sighthill: Cowlairs Bridge; Port Dundas; 100 Acre Hill; CNG: FBC 4

MAY 2018

- > **Public exhibition** for the Advanced Manufacturing Innovation District Scotland (AMIDS) next to Glasgow Airport (RC).
- > **Work starts** on £3.8 million Greenlaw Business Centre (ERC)
- > **Call for** expressions of interest for City Deal Quay Wall funding
- > **Public Consultation** on design proposals for Byers Road
- > **Ravenscraig Ltd developers** submit new master plan
- > **Partnership agreement** (GCC, GHA & Keepmoat Homes) for 800 new homes at Sighthill

JUNE 2018

- > **Youth Gateway Programme** evaluation completes
- > **Infrastructure grant allocations** 2018/19 approved
- > **Unaudited annual accounts** 2017/18 approved
- > **Internal Audit Annual Report** and draft Governance Statement 2017/18
- > **Meet the Buyer event Scotland:** City Deal exhibit
- > **Secretary of State for Scotland** visit to MediCity
- > **Glenboig Link Road** opens (sub project complete)

JULY 2018

- > **UK Parliament - Scottish Affairs Committee** evidence session
- > **ICE:** UK Research and Innovation Strength in Places Fund application submitted
- > **Ekos complete review of 5 OBC:** MGSDP; CWRR; Newton, East Kilbride and Hamilton CGAs
- > **Economic Intelligence** Working Group established

AUGUST 2018

- > **Four year milestone:** City Deal agreement
- > **TIGERS training facility** for young people launches at Sighthill
- > **Glasgow City Region** Tourism Strategy launch
- > **Second anniversary** of Tontine
- > **Second GCR Infrastructure** Summit
- > **Full Business Cases approved:** Metropolitan Glasgow Strategic Drainage Partnership – Cardowan Water Management Plan (GCC); Hamilton Community Growth Area – Woodhead Primary School Extension (SLC)

SEPTEMBER 2018

- > **Plans released** for new landmark visitor centre at Greenock Ocean Terminal
- > **Quay walls projects** progressed on the Clyde for three third party owners

OCTOBER 2018

- > **Results of public consultation** on Byres Road public realm
- > **In Work Progression Care Homes** recognised by Glasgow Business Awards
- > **Full Business Cases approved** for Greenhills Road/A726 Dual Carriageway (SLC); Metropolitan Glasgow Strategic Drainage Partnership - Hillington/Cardonald Surface Water Management Plan Phase 1 – Moss Heights/Halfway Community Park project (GCC)

NOVEMBER 2018

- > **Start of public consultation** on initial designs for three Avenues projects
- > **Planning consent** for Renfrewshire's CWRR project from Scottish Government
- > **Glasgow's Smart Canals:** start of construction
- > **Planning application** prepared for Sighthill 'street in the sky' bridge

DECEMBER 2018

- > **In Work progression** completes
- > **Annual Performance Report 2018/19** approved by Cabinet
- > **Regional Skills Investment Plan** approved by Cabinet
- > **Full Business Case approved:** Hamilton Community Growth Area FBC2 – Highstonehall Road Improvements (SLC); Newton Community Growth Area FBC3 – Westburn Roundabout (SLC)

JANUARY 2019

- > **Gateway Review:** One Year Out Report
- > **Airport Access project:** Meeting of Ministerial Steering Group
- > **Sauchiehall Street Avenue Phase 1:** Start of construction

FEBRUARY 2019

- > **Scottish Government Minister** for Public Finance and Digital Economy visits Tontine
- > **Glasgow City Innovation District** launched
- > **IGAP@Tontine Programme**

MARCH 2019

- > **Audit Reports:** Assurance Provision/ Risk and Issue Management and Mitigating Actions
- > **Evidence session:** Scottish Parliamentary Inquiry
- > **Glasgow Airport Investment Area:** £21 million construction contract approved
- > **Working Matters** completes
- > **Greenhills Road:** main project work starts
- > **In Work Progression:** Gathering

Governance Structures





Governance and Scrutiny

As would be expected of a Programme of its size, scope and ambition, the Glasgow City Region City Deal is underpinned by formal governance arrangements and ongoing scrutiny.

Governance

Governance arrangements for the City Deal were agreed by government, are set out in the Assurance Framework and align to the Programme Business Case. Current structures are shown on page 8.

In 2014, a Joint Committee was established by the Member Authorities, constituted under Section 57 of the Local Government (Scotland) Act 1973. The Joint Committee, known as the Glasgow City Region Cabinet, is made up of the Leaders of the participating authorities. The Cabinet is responsible for decision making in relation to the City Deal and for determining the strategic economic development priorities for Glasgow City Region. Meetings are held every eight weeks and are open to the public, with papers available through the City Deal website.

The Programme Management Office (PMO) acts as a secretariat for the Cabinet and is the central point for appraisal and monitoring of all aspects of City Deal. The Cabinet is supported by a Chief Executives' Group (CEG), which oversees the management of the PMO in its delivery of the operational functions of the Cabinet. The CEG proposes a programme of work and where required provides recommendations.

The CEG is supported by a number of sub-groups, made up of officers from the participating councils. To further the existing collaboration between the eight local authorities, in June 2016 the Leaders agreed that a distributive leadership model based around eight portfolios would drive wider Regional economic growth.

The Programme Liaison Group (PLG), made up of representatives from the UK and Scottish Governments, meets quarterly and is the core mechanism for reviewing and monitoring performance by government, ensuring the City Deal remains on track for delivery and its adherence to the terms set out in the Assurance Framework. The Airport Access Project Ministerial Steering Group, with representation from the Scottish Government, Glasgow City Council, Renfrewshire Council, Transport Scotland, Glasgow Airport and Network Rail, has been established to provide a forum for senior level discussions in relation to the project.

The Programme is underpinned by a series of monitoring status reports on projects and the programme, produced by Member Authorities and the PMO. The PMO provides progress reports to each meeting of the CEG, Cabinet and the PLG. Reports provide a record of progress and are a basis for project scrutiny.

Audit

The Programme is subject to a series of planned audits, externally by Audit Scotland and internally, by Glasgow City Council Internal Audit, appointed by the Cabinet.

An annual plan for audit activity for the year ahead is agreed by Cabinet, with findings, recommendations and progress on follow up actions reported throughout the year.

Summary of Audit Activity April 2018 - March 2019

Date	Activity
April 2018 Cabinet	Internal Audit Plan for 2018/19 approved by Cabinet: Assurance Provision, Risk Mitigation and Review of Risk Management, Programme Budget Monitoring and Control Arrangements, follow-up up previous audit recommendations. Internal Audit 2017/18 assurance report on the review of Programme Management Office governance and operations. A limited level of assurance was placed on the control environment, with scope for improvement in existing arrangements identified and seven recommendations for improvement. Follow-up Audit Report.
May 2018	Audit Support Group met for the first of the twice yearly meetings.
June 2018 Cabinet	Internal Audit Annual Report and draft Annual Governance Statement 2017/18 Internal Audit assurance report on the review of compliance with the Assurance Framework in relation to the programme and project governance management arrangements. A reasonable level of assurance was placed on the control environment, with scope for improvement in existing arrangements identified and four recommendations for improvement. Follow-up Audit Report.
November 2018	Audit Support Group met for the second of the twice yearly meetings.
February 2019 Cabinet	Internal Audit assurance reports on Assurance Provision and Risk and Issue Management and Mitigating Actions. In relation to Assurance Provision, the control environment was considered satisfactory, with one recommendation for improvement. A reasonable level of assurance was placed on the control environment for Risk and Issue Management and Mitigating Actions, with four recommendations for improvement. Follow-up Audit Report.



Scottish Parliamentary Inquiry

Following consideration of the Scottish Government's response to its report and a Parliamentary debate held in March 2018, the Local Government and Communities Committee agreed to continue to monitor the progress of City Region Deals. In January 2019, the Committee agreed to hold further evidence sessions to take stock of City Region Deals, with a focus on the economic output being achieved by the longer-established deals. A further session was held in February 2019 with evidence from a number of representatives from the GCR City Deal and another in March 2019 with representatives from other Scottish City Deals.

Scottish Affairs Committee

The UK Parliament Scottish Affairs Committee held a one-off session on City Region Deals in July 2018. The aim of the session was to investigate how the City Region deals work in practice, governance structures and how effectively the different stakeholders co-operate. Representatives from Scottish City Deals, including the GCR Cabinet Chair and from the Scottish and UK Governments gave evidence. The Committee is considering the evidence and will decide whether a formal report of findings and recommendations for the consideration of government is required.



Programme Overview and Status

In the period of the report, the PMO formally assessed 27 business cases (including Augmented Outline Business Cases) and the Programme Review exercise continued. Work to lead on and support these activities required substantial resource from the PMO.

Approval of Business Cases

As noted in the last Annual Performance Report, in late 2017 a new approach to the approval of business cases came into effect. Under the revised approach, all Strategic and Outline Business Cases (SBCs and OBCs) would now be considered/approved by Cabinet, with Cabinet delegating approval of Full Business Cases (FBCs) to the Chief Executives' Group (CEG), provided the PMO

and the CEG are satisfied that the FBC does not represent a substantial change from the approved OBC. This change constituted an amendment to the Assurance Framework and as such was approved by Cabinet and by both governments, becoming effective from 1 November 2017. Details of Business Cases (excluding Augmented BCs) approved in the period are shown in the table below.

Business cases approved April 2018 – 31 March 2019

Member Authority	Main Project	Sub Project	Business Case	Cabinet Approval Date
Infrastructure				
Glasgow	Canal and North Gateway	Sighthill: Cowlares, Port Dundas	FBC	10 April 2018
	Canal and North Gateway	FBC 4: NGIWMS	FBC	10 April 2018
	Clyde Waterfront and West End Innovation Quarter	CGAP: Govan Public Realm	FBC	10 April 2018
	MGSDP	Cardowan SWMP	FBC	14 August 2018
	MGSDP	Hillington/Cardonald SWMP Phase 1	FBC	9 October 2018
	City Centre Enabling Structure Public Realm	ISL	FBC	10 April 2018
Inverclyde	Inchgreen		SBC	12 February 2019
North Lanarkshire	Pan Lanarkshire Orbital Transport Corridor	Motherwell Town Centre Interchange	OBC	10 April 2018
South Lanarkshire	Greenhills Road/A 726 Dual Carriageway		FBC	9 October 2018
	Community Growth Areas - Newton	Westburn Roundabout	FBC	11 December 2018
	Community Growth Areas - Hamilton	Woodhead Primary School Extension	FBC	14 August 2018
	Community Growth Areas - Hamilton	Highstonehall Road Upgrade Works	FBC	11 December 2018

Programme Review

Work has continued to progress on the Programme Review. The review is not intended to change investment decisions which have already been taken, but to ensure that the programme is fit for purpose as it moves into the delivery phase. The review is made up of three work streams:

Compliance with HM Treasury Green Book

Following agreement with the UK and Scottish Governments, work has been progressing to independently review all project Outline Business Cases (OBCs) to identify areas where augmentation may be required to ensure full compliance with the latest version of HM Treasury Green Book. Based on the findings, OBCs will be updated by Member Authorities and then reviewed by the PMO, with details of changes made to previously approved business cases recorded and presented to future Cabinet meeting for consideration/approval.

To date, 28 Augmented OBCs have been approved by Cabinet.

The exercise also identified required changes to the Assurance Framework, with a review of this now underway and a revised Business Case appraisal template agreed by the CEG in April 2018.

The programme of Business Case training for PMO and Member Authority staff to support this process and assist with capacity building has now been completed.

Inclusive Growth

Cabinet is determined that inclusive growth is placed at the heart of our City Deal and formally requested the support of the Commission on Economic Growth in three areas:

- **Developing an Approach to Measuring and Maximising Inclusive Growth in the Delivery of Individual Projects:** The Commission has developed a model approach to how specific projects could be evaluated in relation to inclusive growth, based upon the Glasgow Canal and North City Deal Infrastructure project. Learning from this has been shared with the Scottish Government and other City Deal projects.

- **Articulating the Glasgow City Region City Deal contribution towards Inclusive Growth:** Building on the Scottish Government's inclusive growth diagnostic tool, the experience and expertise of the Commission is well placed to work with the PMO, the emerging Intelligence Hub and the Cabinet to provide an assessment of the extent to which the City Deal projects could, as currently articulated, make a contribution towards inclusive growth.
- **Providing advice on the support required from partners to achieve Inclusive Growth:** City Deal infrastructure projects do not exist in isolation. Their impact on inclusive growth will, in many instances, rely upon the public services that are put in place around them. The Commission can play a key role in helping to identify / provide advice on actions required from partners to maximise Inclusive Growth impact. Central to this will be to identify what Inclusive Growth means in a Glasgow City Region context.

Programme Prioritisation Framework

Scoping work was reported in the last report in relation to a Complementary Funding process to allow the City Deal Infrastructure Fund to be flexible and enable the reinvestment of funding which may become available through project underspend or unexpected factors affecting delivery or indeed potentially through alternative funding streams.

Stakeholder engagement has now been completed and following consideration of principles set out within the Assurance Framework and the greater focus on Inclusive Growth since the City Deal was signed, a Programme Prioritisation Framework has been created. This will sit within the revised Assurance Framework and sets out the qualitative and quantitative criteria against which Expressions of Interest for proposed new Projects will be assessed and prioritised. This detailed process is anticipated to be brought forward later in 2019.



Infrastructure

A fund of £1.13 billion will support twenty-one infrastructure projects across the region for roads, bridges, improved transport infrastructure, quay walls, remediation, construction and public realm works, assisting further retail, commercial and housing developments. The UK and Scottish Governments will each provide £500 million in grant funding and the local authorities will borrow a further £130 million.

Value:

£1.13 billion



Progress at 31 March 2019:

£157.2 million

spend to date

27 business cases

reviewed and in the period

9 full business cases

approved in the period

- Canal and North Gateway - Sighthill: Cowlares, Port Dundas
- Canal and North Gateway – NGIWMS
- Clyde Waterfront and West End Innovation Quarter - CGAP: Govan Public Realm
- MGSDP - Cardowan SWMP
- MGSDP - Hillington/Cardonald SWMP Phase 1
- Greenhills Road/A726 Dual Carriageway
- Community Growth Areas - Newton - Westburn Roundabout
- Community Growth Areas – Hamilton - Woodhead Primary School Extension
- Community Growth Areas – Hamilton - Highstonehall Road Upgrade Works

8 projects/sub projects

completed to date

- Cathkin Relief Road
- Calton Barras Action Plan Phase 1
- Crossmill Business Park
- Greenlaw Business Centre
- Sighthill Remediation Contract 1
- Newton Park and Ride
- Newton Park Primary School
- Glenboig Link Road.

£53.9 million

expenditure against grant funding of £30 million



Infrastructure

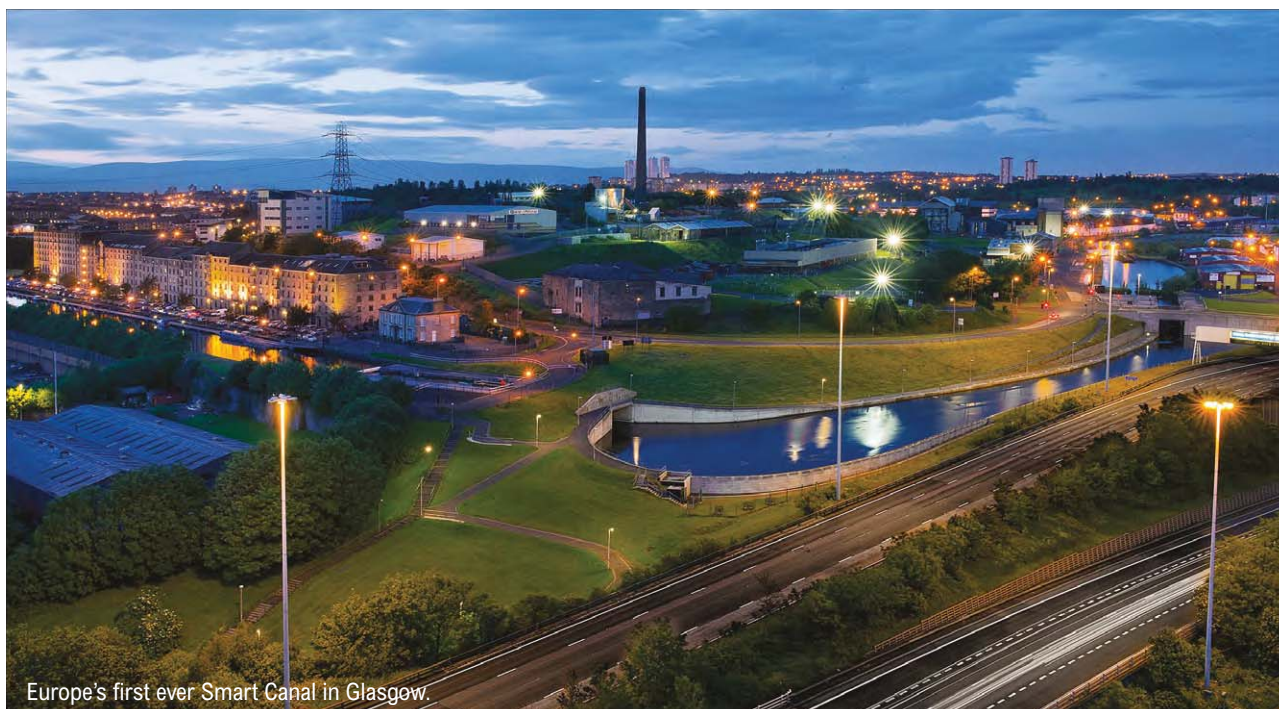
In the period of the report, substantial progress continued to be made to projects and sub projects underway.

At **Sighthill** in Glasgow, City Deal investment will re-connect an area equivalent in size to 60 football pitches to the near-by city centre and open up the north of the city for growth. Following extensive remediation, work underway in the last reporting period has included earthworks to create platforms for new housing, utilities, public realm and road infrastructure and the development of a new city parkland and visitor destination which is set to open this year. In April 2018, Glasgow City Council signed a partnership agreement with GHA and private developer Keepmoat Homes for a mix of 800 private and mid-market rental homes on site. News of the planning application for the new iconic, pedestrian and cycle bridge over the M8 motorway followed later in the year.

In November 2018, construction started on Europe's first ever **Smart Canal**, an innovative £17 million project delivered via a partnership of Glasgow City Council, Scottish Canals and Scottish Water. Flood risk is being mitigated using 21st Century technology with a 250 year

old heritage asset, creating extra capacity equivalent to 22 Olympic swimming pools, enabling massive regeneration in an area previously unfit for development, unlocking 110 hectares and paving the way for more than 3,000 new homes.

In May 2018, work started on **Greenlaw Business Centre** in East Renfrewshire to deliver modern office accommodation in up to 38 small suites, providing support for local small businesses. In September 2018, plans were revealed for a landmark building on the banks of the Clyde at Greenock to welcome cruise ship passengers at Inverclyde's **Greenock Ocean Terminal**. The project is set to provide a new berthing facility, state of the art visitor centre, gallery and restaurant to boost cruise ship passengers welcomed to Scotland through the facility operated by Peel Ports. It is estimated that over 150,000 passengers could pass through Greenock Ocean Terminal delivering £26 million in annual visitor and crew spend to the Scottish economy.



Europe's first ever Smart Canal in Glasgow.



Artist's impression of Ocean Terminal in Greenock.

In November 2018, planning permission was granted by the Scottish Government for the **Clyde Waterfront and Renfrew Riverside project** which will see construction of the first opening road bridge over the River Clyde, linking Renfrew and Yoker. This project is expected to create more than 2,300 jobs and inject £867 million into the regional economy.

In March 2019, a £21 million construction contract for the **Glasgow Airport Investment Area** was approved to create the connections underpinning a major new innovation district being developed in Renfrewshire. The project will see new roads, bridges, cycle-ways and footpaths being built to connect into a site at the centre of the emerging Advanced Manufacturing Innovation District Scotland on a 52-hectare core site next to Glasgow Airport, which is already confirmed as the location for the National Manufacturing Institute Scotland (NMIS) and the Medicines Manufacturing Innovation Centre.

Revised plans for the **Ravenscraig Infrastructure Access (RIA)** project were approved in March 2019 by the Chief Executives' Group for issue to April Cabinet. The removal of the Ravenscraig TIF had a major impact on North Lanarkshire Council's ability to deliver the essential infrastructure to unlock and redevelop Ravenscraig - one of Europe's largest brownfield regeneration sites. The modified programme retains the three key projects but reduces the number of sub-projects from twelve to six.

An updated masterplan was also later brought forward by Ravenscraig Ltd, with plans included for 3,000 new homes, extensive office, industrial and retail space and a new seven hectare town park.

Progress continued on **Glasgow's £115 million Avenues project** which will see streetscape improvements made to the city centre public realm, with the establishment of principal Avenues throughout the city centre to form an integrated network of continuous pedestrian and cycle priority routes, making the city more attractive, people-friendly and economically competitive.

Work also continued to address issues arising from the independent audit report by Jacobs in relation to the **Airport Access Project**, with a report of recommendations and updated timelines planned for April 2019 Cabinet.

Twelve business cases were reviewed and formally approved in the reporting period, including nine Full Business Cases.

In 2018/19, Member Authorities spent a total of £53.9 million on infrastructure projects, with grant funding provided of £30 million, resulting in spend to date of £157.2 million and cumulative grant funding of £120 million.

Case Study: City Deal funding enabling bright future for manufacturing in Renfrewshire

Renfrewshire has a proud manufacturing heritage, rich in creativity and innovation, from weaving shawls to building ships, spitfire engines and even powering power stations.

Artist impression of Netherton Campus at heart of Advanced Manufacturing Innovation District Scotland.



Today, the region is home to engineering experts Rolls Royce; Scottish Leather Group – the largest leather manufacturer in the UK; leading life scientists Thermo Fisher Scientific, and more than 20% of all Scotch whisky is bottled by Diageo at Braehead.

In fact, there's no fewer than 9,000 people employed in manufacturing in Renfrewshire, accounting for almost one-quarter of the area's £2.82 billion GVA.

Manufacturing is at the heart of ambitious plans to grow the Renfrewshire economy further through development of the Advanced Manufacturing Innovation District Scotland.

The district, the only one of its kind in Scotland, is being developed by Renfrewshire Council and Scottish Enterprise, supported by Scottish Government, to attract national and international manufacturing investment.

Its location boasts unrivalled connectivity, next to Glasgow Airport and six miles west of Glasgow city centre, at the centre of Scotland's largest labour catchment

At the heart of the district is Netherton Campus, a 52-hectare site being transformed from unused land into a hub for manufacturing innovation and research.

Funding from the Glasgow City Region City Deal has been the catalyst for this development through the Glasgow Airport Investment Area project. The £39.1 million project is creating the connections to Netherton Campus, including new roads, two bridges and improved cycling and walking routes.

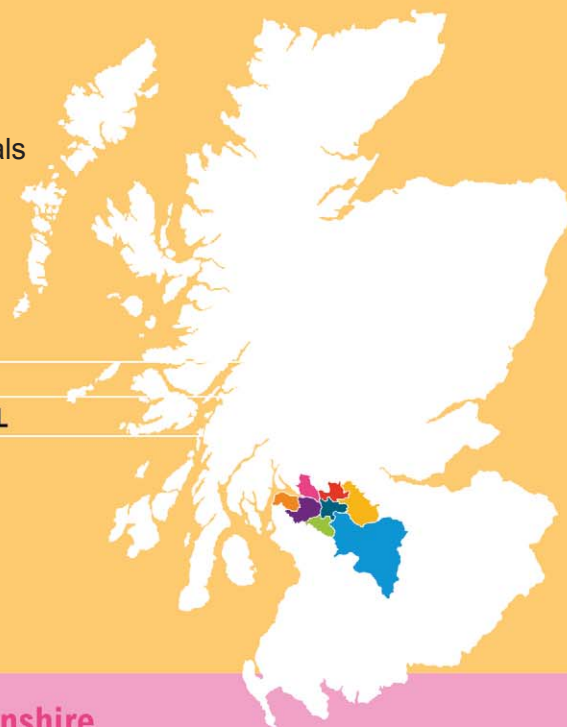
Economic assessments indicate this site, fully developed, has the potential to generate up to 6,000 jobs and achieve a net increase in GVA of up to £535 million per annum.

Its potential is already being realised with confirmation it is the location for the National Manufacturing Institute Scotland and the UK's Medicines Manufacturing Innovation Centre.

Construction starts on the Glasgow Airport Investment Area project in summer 2019 and is scheduled for completion in early 2021.

Infrastructure Projects

There are 21 Infrastructure projects, some of which are made up of sub projects. High level projects are shown in bold capitals (as Glasgow has >60 sub projects – only high level projects are shown). Numbers in the maps indicate project/sub project locations. Note: the £30 million SPT regional transport infrastructure project is not included below.



Inverclyde

- 1 INVERKIP
- 2 OCEAN TERMINAL
- 3 INCHGREEN



West Dunbartonshire

- 4 EXXON SITE DEVELOPMENT PROJECT



Renfrewshire

- 5 REGIONAL AIRPORT ACCESS PROJECT
- 6 GLASGOW AIRPORT INVESTMENT AREA (GAIA)
- 7 CLYDE WATERFRONT AND RENFREW RIVERSIDE (CWRR)



Glasgow

- 8 CLYDE WATERFRONT WEST END INNOVATION QUARTER (30 sub projects)
- 9 CANAL AND NORTH GATEWAY (14 sub projects)
- 10 CITY CENTRE ENABLING STRUCTURE PUBLIC REALM (17 sub projects)
- 11 COLLEGELANDS CALTON BARRAS (6 sub projects)
- 12 MGSDP (7 sub projects)

North Lanarkshire

13 GARTCOSH/GLENBOIG COMMUNITY GROWTH AREA

13a Glenboig Link Road (including nature reserve)

14 A8/M8 TRANSPORT CORRIDOR

14a Orchard Farm Roundabout

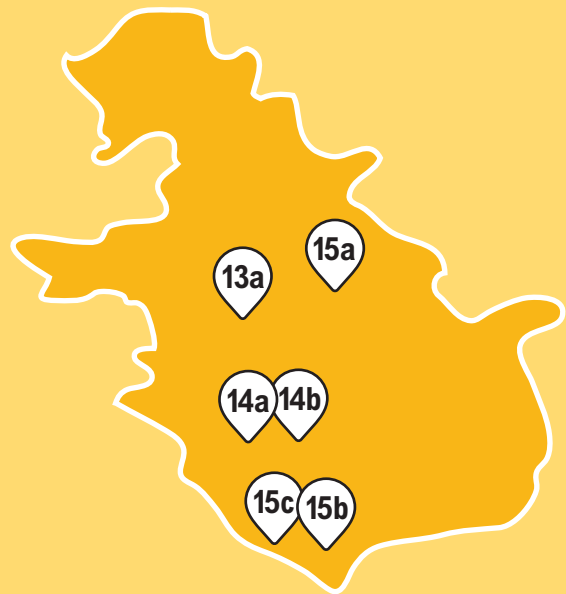
14b Eurocentral Park and Ride/Share

15 PAN LANARKSHIRE ORBITAL TRANSPORT CORRIDOR

15a East Airdrie Link Road

15b Motherwell Town Centre Infrastructure (Muir Street and Park and Ride/active travel)

15c Ravenscraig Infrastructure



South Lanarkshire

16 COMMUNITY GROWTH AREAS

16a Community Growth Area: Newton

16b Community Growth Area: East Kilbride

16c Community Growth Area: Hamilton

16d Community Growth Area: Larkhall

17 CATHKIN RELIEF ROAD

18 STEWARTFIELD WAY TRANSPORT CAPACITY

19 GREENHILLS ROAD A726 DUAL CARRIAGEWAY



East Renfrewshire

20 M77 STRATEGIC CORRIDOR

20a Lavern Works

20b New Railway Station: Barrhead

20c Balgraystone Road Upgrade

20d Country Park Visitor Centre

20e East Renfrewshire Business Boost

20f Aurs Rd Realignment

20g Lavern Valley Link



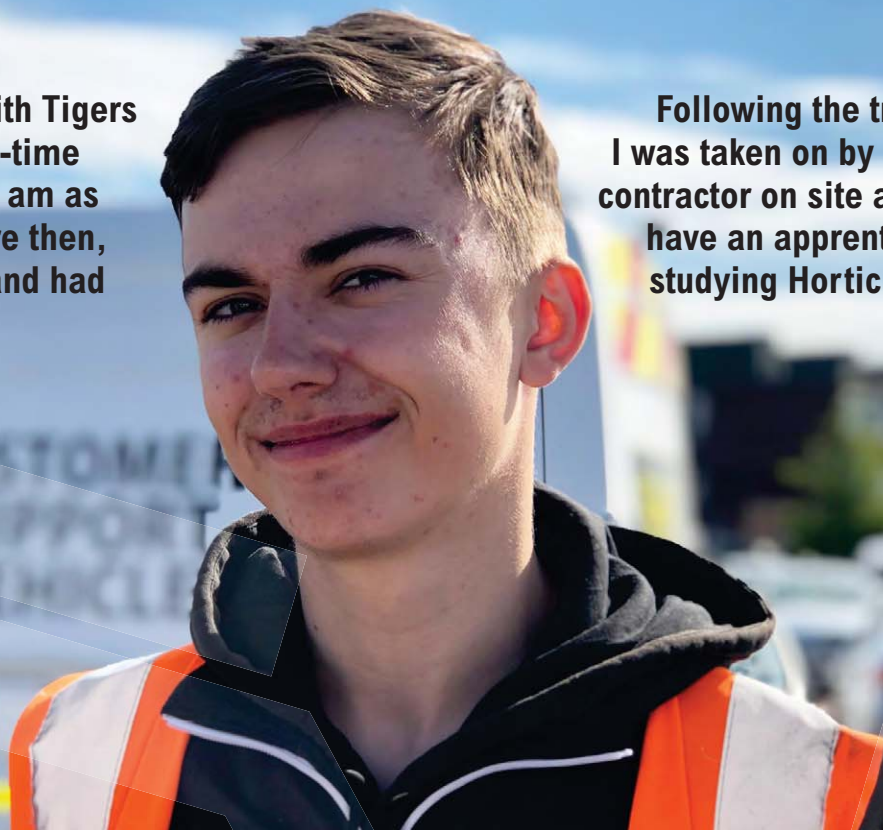
Case Study: Community Benefits at GCC Canal and North Contract 2

As part of community benefits being delivered under Glasgow City Council's Sighthill TRA Contract 2 the main contractor Morgan Sindall and Tigers have created a unique training opportunity for young people based on the Sighthill City Deal project site.

Scott Follis

“The opportunity with Tigers changed my life big-time and impacted who I am as an individual. Before then, I was unemployed and had lost confidence.

Following the training, I was taken on by another contractor on site and now have an apprenticeship studying Horticulture.”



The contract being delivered by Morgan Sindall, involves new roads and utility networks, and substantial public realm, including new parklands in the 50 hectare site.

As part of the contract community benefits, a dedicated area of land was set aside within the site boundary for a training facility and working in partnership with TIGERS (Training Generating Effective Results Scotland) a group of 15 young people (aged 16 – 24 years and not in education, employment or training) was given the opportunity to complete a 26 week training course within a live site environment.

Training in construction related skills included laying modular paving, setting out kerbs, placing / finishing concrete, health and safety and first aid, with other modules in social,

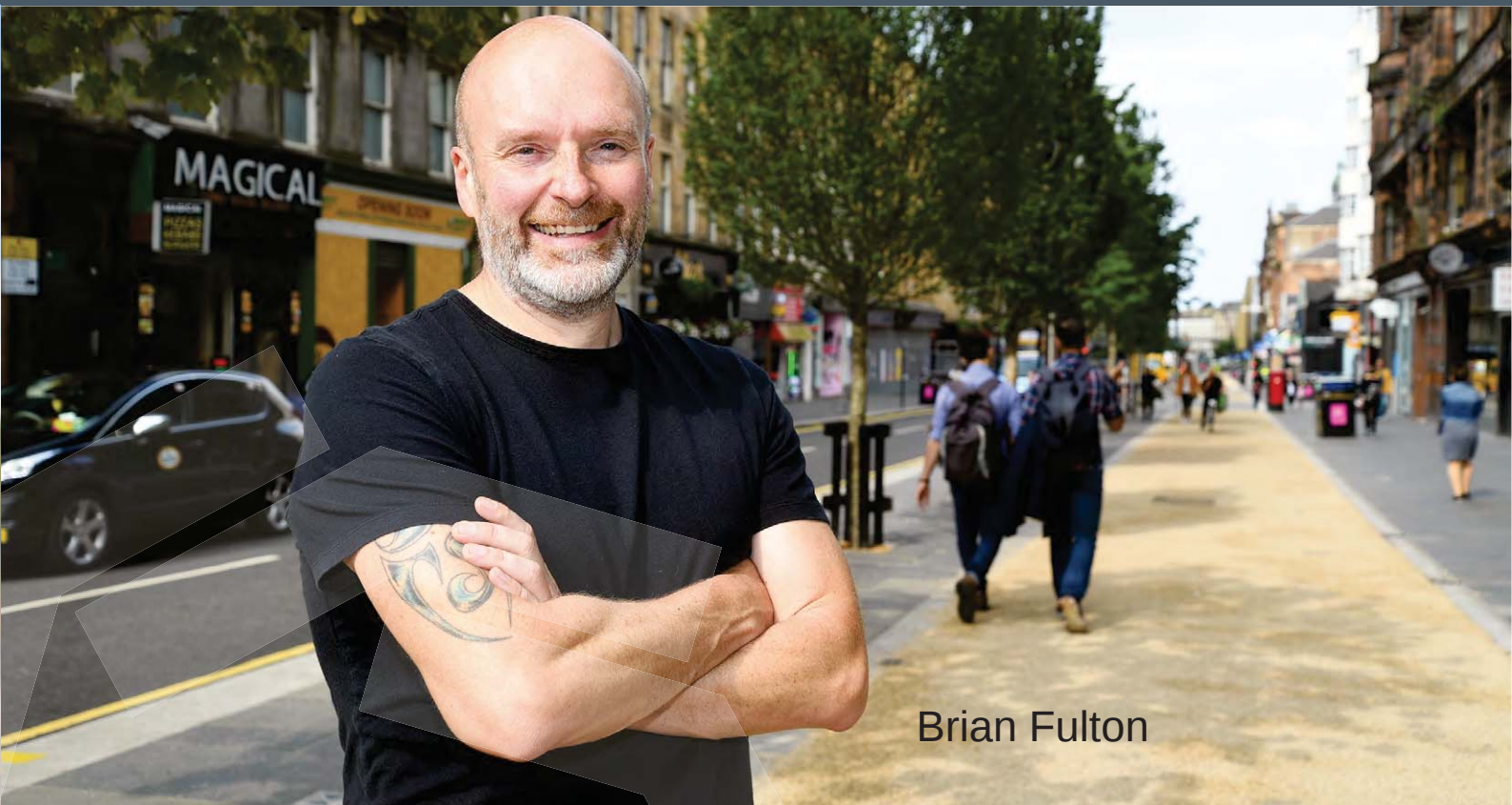
nutritional and physical wellbeing.

All trainees also attended a work placement with sub contractors working on the contract, with the aim that an offer of employment would follow. Of the group of 15, 13 went on to successfully secure employment or apprenticeships, with one taken on by Morgan Sindall as a construction apprentice.

The innovative on-site training facility is a first for Scotland and a unique and innovative way to introduce young people into the construction industry. The first course was seen as a great success and has paved the way for further similar initiatives in development with other contractors on site, with the next phase focused on NEETS and ex-service personnel.

Case Study: Engagement around the Avenues programme

The £115 million Glasgow city centre Avenues project is a game-changer. Not only is it the biggest active travel project in the UK, but it will play a key role in ensuring that the city centre population rises over the next decade or so and maintaining the city's position as the biggest retail destination in the UK outside of London.



Brian Fulton

The Avenues will make the city centre an even more attractive place for people to live, work, study, shop, go out, do business, or invest in, bringing environmental and economic benefit to Glasgow.

A key part of making sure that the Avenues are designed and delivered in a way that meets the needs of all the people and organisations who use them is the engagement programme that Glasgow City Council and its consultants have been working on. The Sauchiehall Avenue has its origins in an extensive consultation process with local residents, businesses and organisations, who when looking with officers and consultants on how to best regenerate the Garnethill and Sauchiehall District, identified the Avenue as a crucial part of doing this.

With Sauchiehall Avenue, the pilot project for the wider Avenues programme, this deep

level of consultation - whether through online surveys, on-street consultation, or public and stakeholder meetings - has been repeated for different parts of the programme, with similar exercises taking place last year for different parts of the city.

Brian Fulton, Chair of the Sauchiehall Street Business Improvement District, said: "It was refreshing to see how the council handled the initial engagement process before the start of the Avenues project. I don't think anyone knows better what is required from a public space, than those who live and work in that area. So for the council to employ consultants to engage with the local community to understand what they wanted from the Avenue was a wise move."

Case Study: Communities benefit from City Deal Business Centre

A range of community benefits were secured by East Renfrewshire Council as part of the construction of Greenlaw Business Centre in Newton Mearns, a City Region City Deal funded project. The facility will help meet a growing demand for flexible business space in the area, creating jobs and supporting small businesses growth.

Students attending a pre-apprenticeship course at Clyde College funded as a community benefit of the project visit Greenlaw Business Centre during construction.



Four jobs, two apprenticeships, work experience placements and learning opportunities for schools are just some of the benefits gained for the local community from contractor Morrison Construction Central Scotland, headquartered in Glasgow.

East Renfrewshire Council is also working in partnership with Morrison Construction and Clyde College to support two fully funded construction pre-apprenticeship courses. Students from Clyde College visited the Greenlaw Business Centre site during construction and learned about the range of careers available in the construction industry, including former Williamwood High pupil Sam Paterson, 16. He said: "It gives you new opportunities and there is a chance to get an

apprenticeship or a job at the end of it – that's the main thing I'm looking forward to. I'd like to get a job in the construction industry."

Morrison Construction Community Skills Manager Caitlin Quinn, said: "At Morrison Construction, we are committed to giving back to the community through our progressive social value programme. During construction, this programme benefitted the community by supporting jobs, apprenticeships, work experience placements and building relationships with local schools ensuring the project had a positive local impact. In addition to our college partnership, we engaged with schools through our Incredible Innovations competition and contracted social enterprise YES to build planters for project."



F Skills and Employment

Over its lifetime the City Deal is set to create 29,000 new jobs across the region, in addition to 15,000 temporary jobs during the construction period and will support 5,500 unemployed people back into work. Regional employment challenges are being supported through three new labour market projects - providing targeted support to 16-24 year olds; to vulnerable residents; and through a pilot labour market project in the Care sector. All three labour market projects are now complete.

WORKING MATTERS: A new employment scheme for people in receipt of health related benefits, targeted to work with 4,000 people, assisting at least 600 into sustained work.

Value:
£9 million



Status: Project complete.

Progress at 31 March 2019:

3,385 clients engaged

105% of target

460 new jobs

95% of target to date.

IN WORK PROGRESSION: A pilot labour market progression project in the Care sector to support the training and development of staff and sector resilience.

Value:
£600,000



Status: Project complete.

Progress at 31 March 2019:

20 care sector businesses
engaged with

573 individual staff

benefited from 1400 training places.

YOUTH GATEWAY: An integrated regional employment programme for young people (Aged 16-24), targeted to help 5,000 into sustained work.

Original Value:
£15 million/Member Authorities
invested £31.8 million



Status: Project complete.

Progress at 31 March 2018:

All targets exceeded

18,644 engaged

124% of target

8,085 into employment

161% of target.

Working Matters

Working Matters has already helped thousands of Glasgow City Region residents in receipt of health related benefits to begin the journey into long-term employment.

Working Matters began in August 2015 as a three year pilot, funded equally by the Glasgow City Region partners and the Department for Work and Pensions (DWP). In October 2017, the DWP agreed to reduce the target for client engagements to 80% in order to address performance issues that had arisen as a result of the low number of client referrals to the project.

Both the DWP and partners also agreed that ongoing support to existing clients would be extended by one year.

On its conclusion at the end of March 2019, the project had achieved 105% of the revised engagement target with 3,385 successful engagements against a target of 3,217. In terms of job outcomes, the project achieved 95% of target, at 460 jobs, with significant other additional outcomes achieved. Details for each Member Authority are shown below.

Working Matters 24 August 2015 - 31 March 2019

Member Authority	Engagement			Secured Employment		
	Target	Actual	Percentage Achieved	Target	Actual	Percentage Achieved
East Dunbartonshire	82	106	130%	12	13	108%
East Renfrewshire	61	80	130%	9	13	144%
Glasgow	1,550	1,642	106%	232	176	76%
Inverclyde	174	222	127%	26	33	127%
North Lanarkshire	372	400	108%	56	95	170%
Renfrewshire	363	385	106%	54	65	120%
South Lanarkshire	423	406	96%	65	50	77%
West Dunbartonshire *	192	146	76%	29	15	52%
Total	3,217	3,385	105%	483	460	95%

* WDC focussed their WM activity on providing intensive support for clients at the early stage of the employability pathway. As clients progressed, WDC moved them onto their European funded 'employability pipeline' and job outcomes secured were reported against this programme.



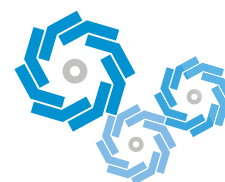
105%

of revised engagement
target achieved



3,385

Successful engagements
against a target of 3,217



460

jobs gained with significant
additional outcomes
achieved

Case Study: Working Matters

The Working Matters pilot provided an intensive, integrated package of employability support and helped thousands of Glasgow City Region residents to begin the journey into sustainable employment.



Stephen Gibson

“I am now in stable employment, performing a role that I really enjoy. Having this job gives me stability which is important as it lets me plan ahead for my future. The type of support I received from Working Matters was exactly what I needed and it’s made a huge difference to my life.”

Those on the programme worked with a personal adviser to discuss in confidence any barriers to working and explore support activities tailored to individual needs - including health-specific services combined with employability support, such as assistance with job applications, interviews, training, I.T. skills and work experience. Guidance on areas such as housing, budgeting, confidence building and personal development was also available.

Stephen Gibson had been out of work for a number of years after completing college, with a lack of confidence the main barrier to him progressing into employment.

Stephen said; “After leaving education, I didn’t really have a goal and I was unsure about

which direction to take. My lack of confidence really held me back and affected my work prospects. The specialist support I received from my Working Matters adviser was amazing. We discussed the type of employment I was interested in and together we worked on ways to build my confidence so that I felt comfortable about exploring job opportunities.”

After his confidence levels were increased enough for him to take on a temporary opportunity with Jobs & Business Glasgow, a permanent post as an Admin Officer became available and Stephen was successful at interview, securing the post.

In Work Progression

The In Work Progression pilot tested a business development approach to supporting the progression of employees in the care sector. The aim is to test if this integrated approach improves people's chances of progressing out of in-work poverty through increasing their skills and earning potential.

The pilot is an example of Inclusive Growth in practice with interventions benefiting the company as well as individuals. Funded by the partners with match funding from the Department for Work and Pensions, the pilot began in 1 April 2016 and concluded in December 2018. Ongoing evaluation has allowed the pilot to respond to issues and learning from its implementation.

In August 2017, the approach to funding employee training was adjusted following feedback from businesses struggling with training costs and the pilot was extended to

December 2018 to ensure that participating businesses receive the level of support necessary to implement their action plans.

Performance figures from the end of March 2019, show the pilot delivered positive impacts and learning, with the revised target for engagement achieved and the number of interventions substantially above target. A summary is set out in the table below.

The final evaluation report is due in summer 2019 and will include a cost benefit analysis of the overall impacts

In Work Progression - 1 August 2016 to 31 December 2018

Action	Number Achieved	Target Number	Percentage Target Achieved
Employers engaged	20	20	100%
Employer support/intervention	125	40	313%
Staff engaged	573	400	143%
Staff with skills/earning potential developed	573	250	229%
Staff with positive steps to financial independence	80	300	27%

Youth Gateway

Youth Gateway provided an integrated employment service, using existing and planned investment in skills, training and employment support for unemployed young people.

The project concluded at the end of March 2018, with all targets substantially exceeded. In total, 18,644 young people were engaged, 124% of target and 8,085 gained sustained employment, representing 161% of target.

Member Authorities invested over £31 million compared to the original £15 million, an increase of over 100%. Evaluation of the project will assist in the development of a regional offer for young people.

Member Authority	Youth Gateway Target (3 years)			Final Performance (March 2018)		
	Target: number engaged	Target: number progressed into employment	Estimate Spend	Achieved: number engaged	Achieved: number progressed into employment	Spend
East Dunbartonshire	360	120	£360,000	375	193	£627,896
East Renfrewshire	300	100	£300,000	302	100	£330,871
Glasgow	6,300	2,100	£6,300,000	6,147	2,514	£14,719,590
Inverclyde	900	300	£900,000	1,121	366	£1,507,570
North Lanarkshire	2,400	800	£2,400,000	4,292	1,821	£5,914,459
Renfrewshire	1,560	520	£1,560,000	1,703	745	£2,928,084
South Lanarkshire	2,400	800	£2,400,000	3,342	1,631	£4,070,711
West Dunbartonshire	780	260	£780,000	1,362	715	£1,686,376
Total	15,000	5,000	£15,000,000	18,644	8,085	£31,785,557



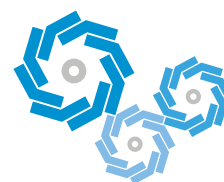
18,644

Young people were engaged in the project



8,085

Gained sustained employment 161% of target



£31.8 million

Member Authorities invested, compared to the original £15 million

Case Study: CodeClan at Tontine

CodeClan first opened in Edinburgh in 2015, with the objective of offering a solution to Scotland's digital skills shortage - through providing a continuous flow of job-ready developers via its intensive 16-week software development course.



In order to replicate its successful operation in Glasgow, in January 2017, CodeClan set up in Tontine which provided the flexible space it required and the ability to immediately kick off its software development courses from the heart of the Merchant City.

A high number of students enrolled on the programme have gone on to successfully gain employment, with 70% of those actively looking for jobs from the most recent graduating class secure work within just four weeks. Positions are spread across Scotland's commercial and public sectors in roles as diverse as Software Developers, Analysts and Testers.

Melinda Matthews Clarkson, CEO, CodeClan

"Tontine allowed us to get a foothold in Glasgow. The city's tech scene has been on a well charted upward trajectory in recent times. So Glasgow is the right place for us to be - home to Scotland's first Innovation District, with a number of powerhouse universities and thriving commercial and public sectors."



After just over a year at Tontine, we moved base to a larger space in Glasgow to accommodate both our growing team and an increased number of students being trained."



Innovation and Business Growth

With construction completed for all three Innovation and Business Growth projects, work is now underway to monitor and measure their contribution to the local economy and the benefits being derived from their operation.

MediCity: brings together academics, entrepreneurs, clinicians and business support services to boost the development of new healthcare services and medical technology.

Value:
£1.012 million

Status: Construction completed, opened March 2016.

Progress at 31 March 2019:
11,000 square feet
of recovered commercial floor space
109 jobs created
in high potential start-ups
£11.8 million
private investment raised

Tontine: A new centre for business incubation and growth in Glasgow's Merchant City provides dedicated support and flexible work space for growing SMEs.

Value:
£1.67 million

Status: Construction completed, opened August 2016.

Progress at 31 March 2019:
3,015 square feet
of recovered office floorspace
369 jobs generated
30 businesses
supported
£39.8 million
of gross turnover of supported companies

Imaging Centre of Excellence (ICE):

The University of Glasgow led facility provides ground-breaking medical research and commercialisation facilities for clinical researchers, and companies developing new products in the life sciences sector.

Supported by:
£16 million City Deal funding,
as part of a **£32 million** project total

Status: Opened March 2017.

Progress at 31 March 2019:
12 organisations
located within the award winning UKSPA
Clinical Innovation Zone
>£27.5 million
funding secured, including a pan Scotland
Industrial Centre for Artificial Intelligence
Research in Digital Diagnostics (iCAIRD)

Building

on the recent BEIS Science and Innovation Audit, plans ongoing to develop a 'Living Laboratory' to translate innovation into standard clinical practice



MediCity Scotland

MediCity Scotland is a dedicated medical technology incubation facility based at BioCity Scotland Ltd in Newhouse, North Lanarkshire. It was established with the support of £1.012 million capital investment from the Glasgow City Region City Deal, with funding from the UK Department of Business, Energy Innovation and Strategy, matched with contributions from BioCity Scotland Ltd. Additional funding was also provided by North Lanarkshire Council and Scottish Enterprise.

The facility brings together academics, entrepreneurs, clinicians and business support services to assist the development of new healthcare services and medical technology. Over 11,000 square feet of office space and incubation workspace has been created through the refurbishment of a vacant building at the BioCity campus. Capital works for the project were completed in October 2015 and the site was officially launched on 17 March 2016.

By March 2019, 53 companies have been supported by the project, over 100 new jobs have been created, 21 new projects or services have been launched into the MedTech, healthcare or wellbeing market and nearly £11.8 million of private investment has been raised by companies based at Medicity.

£1.012million

of capital investment from Glasgow
City Region City Deal



£11.8million

of private investment has been
raised to date



Tontine

Tontine, based in Glasgow's Merchant City, supports and sustains the development of high-growth companies in the enabling technology, advanced design and manufacturing, and creative economy sectors.

Capital works for Tontine completed in March 2016, with the project then moving to delivery of outputs and outcomes. A Business Adviser continues to be based on-site to co-ordinate business support. There are currently 26 businesses occupying space in the facility.

Tontine celebrated its second anniversary in August 2018 and continues to progress well against City Deal milestones. As of the end of August 2018, Tontine has supported 30 businesses which have delivered a combined increase in turnover of £39.8 million and generated 369 jobs. Work is ongoing to revise the Business Plan to explore options beyond the City Deal period.

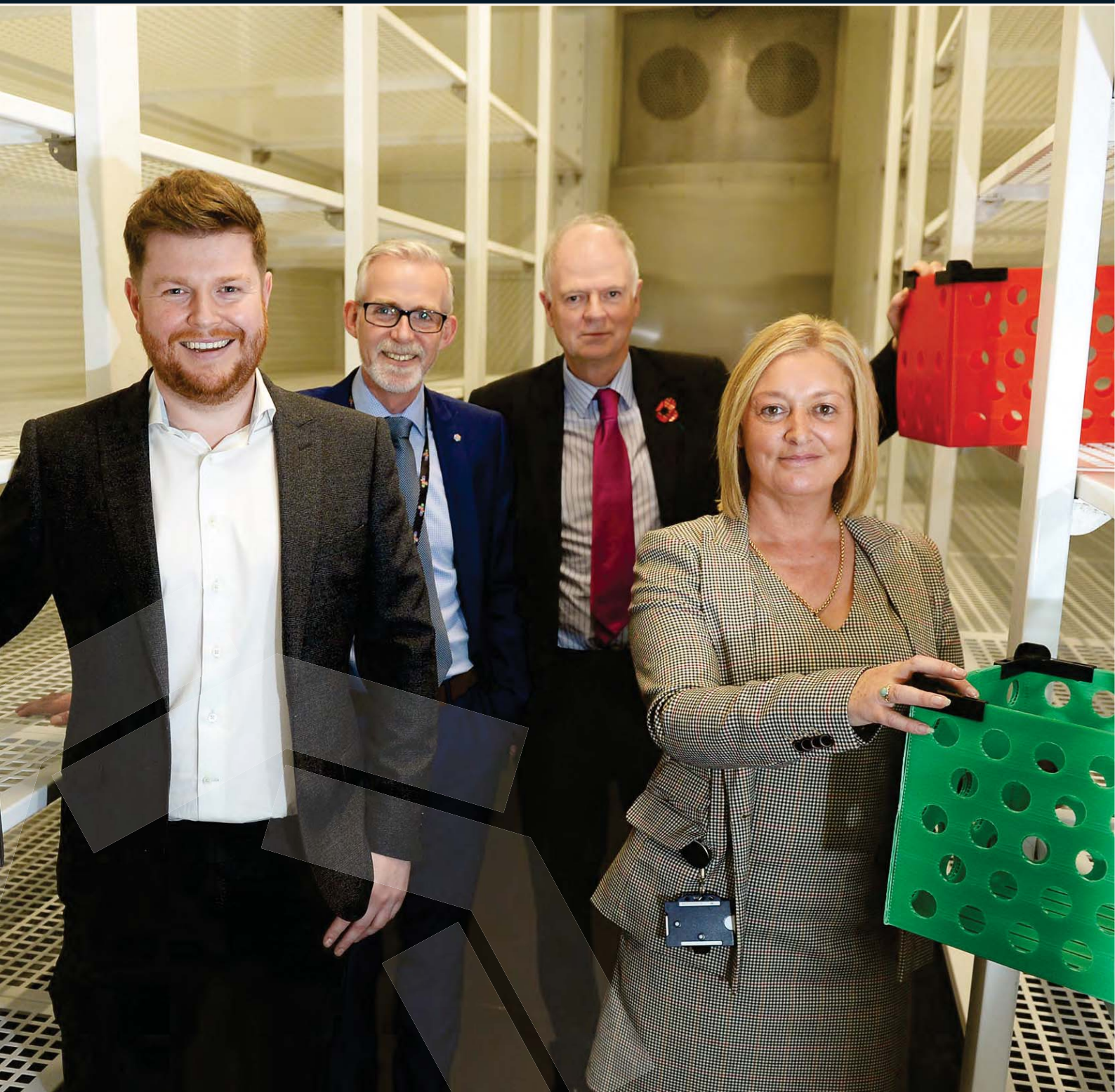
Also in the past year, in collaboration with the University of Strathclyde, nine Tontine

businesses participated in iGAP – a tailored accelerator programme which delivered relevant, accessible and practical learning to support growth aspirations. The programme was delivered over a six month period from September 2018 to February 2019, and consisted of three two-day workshops, covering Market, Leadership, and Resource. Feedback from the participating businesses rated the programme highly and indicated it was beneficial for direction setting and strategic focus.



369 new jobs
generated





15,000

square feet of state of the art
storage

Case Study: MediCity puts Roylance Stability Storage at the heart of Pharmaceutical Manufacturing

From their 15,000 square feet state of the art Stability Storage facility at MediCity Glasgow, Roylance Stability Storage (RSS) provides outsourced simulation of environmental conditions to pharmaceutical manufacturers.

From purpose-built, multi-point validated chambers, RSS provides customers with detailed, real-time monitoring for products kept in stores, replicating the environmental conditions from across the globe, including high relative humidity and temperature combinations

Stability testing provides a vital service to the pharmaceutical industry and maintaining studies is an essential component of any safety assessment. Traditionally, pharmaceutical manufacturers have undertaken studies in-house under ICH conditions. RSS's facility, the first of its kind in Scotland, allows pharmaceutical manufacturers to outsource stability testing, either in its entirety or as a back-up resource or 'recovery back up' to existing stability suites.

The move to MediCity Glasgow in 2018, which was supported by North Lanarkshire Council, has been pivotal to the establishment and ongoing success of the company.

MediCity Glasgow, worked with the company to create the bespoke state-of-the-art facilities, enabling the team to approach the industry in a new and innovative way. The RSS team built

their service, validations and quality systems alongside the facility, from the ground up. The physical infrastructure at MediCity, including dual power and uninterruptable power supply back-up systems for all stability rooms, and lab services are essential to the provision of RSS's suite of assured services.

RSS, together with the growing cluster of life science businesses based at MediCity, has benefited from additional support including entrepreneur coaching, investment, network of mentors and the location's Enterprise Zone Status – creating an environment in which life science businesses are more likely to succeed.

RSS has gone to obtain a Home Office Controlled Drugs Licence, allowing the facility to store any schedule 1 to schedule 4 drugs and recently received the illustrious accolade, Rising Star - Extraordinary Talent Award at Scotland's Life Sciences Awards.

Thanks to MediCity, RSS is positioned at the heart of the Stability Storage market.

Imaging Centre of Excellence (ICE)

The University of Glasgow Imaging Centre of Excellence (ICE), located at the Queen Elizabeth University Hospital (QEUH), was delivered as part of a total £32 million project, with £16 million funding from Glasgow City Region City Deal.



Incorporating a 7 Tesla MRI scanner, an ultra-high resolution scanner and the first of its kind fully integrated within a clinical site in the UK, ICE adds significant value to the University's co-located research imaging developments, which include 3T MRI and CT scanners. Since opening in March 2017, more than 5,000 research and clinical CT and MRI scans have been completed.

In addition to enhancing the capacity to deliver leadership internationally in imaging and Precision Medicine, ICE provides specialist infrastructure at the QEUH campus, including dedicated space for biomedical companies to co-locate. This UK Science Park Association (UKSPA) accredited Clinical Innovation Zone (CIZ) won the 2019 UKSPA 'Setting the Pace' award, recognising enabling assets, facilities and support as part of this ever growing life sciences cluster. The CIZ is driving healthcare innovation for the benefit of the people of Scotland, whilst attracting international talent, inward investment and economic growth. Twelve organisations are located on site, including key imaging companies Siemens Healthineers, Canon Medical and MR CoilTech.

The recent Department for Business, Energy and Industrial Strategy (BEIS) Science and Innovation Audit (SIA), 'Precision Medicine Innovation in Scotland: Accelerating Productivity Growth for Scotland', identified ICE as a unique innovation and infrastructure asset to drive Precision Medicine in Scotland. This audit facilitated the development of game-changing opportunities to realise the UK's Precision Medicine-led growth opportunity in Scotland.

A £16 million pan-Scotland University of Glasgow coordinated collaboration has been initiated to develop next generation clinical decision support tools or 'clinical cockpits'. The Industrial Centre for Artificial Intelligence Research in Digital Diagnostics (iCAIRD) is a collaboration of 15 partners across academia, NHS and industry, which will deliver significant benefits for patients including those with stroke, gynaecological disease, colon cancer and breast cancer.

Based within the CIZ in ICE, iCAIRD has secured £10 million funding from the Industrial Strategy Challenge Fund and £6 million from Canon Medical Research Europe Ltd and Philips and six SMEs.

Further plans for the University of Glasgow Precision Medicine cluster are focusing on the development of a 'Living Laboratory' to establishing new pathways in a real-world clinical setting, which will facilitate the translation of innovation into standard clinical practice. Identified through the BEIS SIA and at Scotland's Precision Medicine Summit 2018, at which the First Minister brought together international experts, the £46 million project is one of 23 shortlisted across the UK for UKRI Strength in Places funding. Development of the full stage application is ongoing for submission in September 2019. The University is working closely with Glasgow City Council and Glasgow City Region City Deal on master planning the project as part of the Glasgow Riverside Innovation District (GRID), which will bring further physical and economic regeneration to Govan and beyond.

With the 7T MRI scanner due to be CE marked in 2019, ICE will become a flagship site leading the evolution of 7T MRI systems from primarily research use towards clinical usage.



The following provides a summary of the financial position for the period 1 April 2018 to 31 March 2019.

The Finance Strategy Group, made up of the Member Authority Finance Directors, monitors financial progress and reviews financial risks. Our main financial risks, as reflected in the risk register, remained largely unchanged over the year. These include ensuring financial projections are realistic, delays in overall programme delivery leading to non-achievement of milestones and delays in the development and approval of business cases leading to pressure on programme delivery and milestone achievement. More immediate operational risks are reviewed in a programme of internal and external audit.

The City Deal Programme is funded over a twenty year period.

Expected Spend 2018/19 versus Business Case Approvals by Project/Member Authority

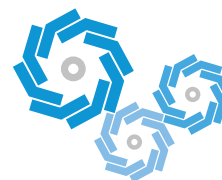
The table on page 37 shows the Infrastructure project funding costs. The actual spend for 2018/19 was £53.9 million. Funding approved through the Business Cases approval process represents a total cumulative spend of £263.6 million. Actual spend for City Deal projects is summarised for each Member Authority.

Two columns summarise grant allocation. The first shows grant allocations for 2018/19 and the second provides the cumulative grant position over the first three years of the Programme. The total £30 million grant allocation was distributed to Member Authorities as per the grant allocation model. Cumulative spend to the end of 2018/19 over the first three financial years of the Programme is £157.2 million against £120 million cumulative grant.



£30 million

Total grant allocation was distributed to Member Authorities in 2018/19



£157.2 million

Cumulative spend to the end of 2018/19 over the first four financial years of the Programme

City Deal Infrastructure Financial Monitoring Actual Spend versus Business Case Approvals by Project as at 31 March 2019

Infrastructure Authority/Project	Estimated Project Funding	Actual Spend 2018/19	CTD Actual Spend	Funding allowed through Business Case Stage Approvals	Grant Allocation 2018/19	Cumulative Grant Allocation	Cumulative grant/ cumulative projected spend
East Renfrewshire M77 Strategic Corridor	44,000,000	4,782,776	7,866,358	9,199,480			
Total East Renfrewshire	44,000,000	4,782,776	7,866,358	9,199,480	3,280,000	6,273,000	86%
Glasgow Canal and North (Sighthill)	73,390,000	13,375,599	54,497,692	65,644,000			
Glasgow Canal and North	15,900,000	4,118,330	5,343,707	-			
Glasgow City Centre	115,520,000	5,739,873	9,068,197	24,171,000			
Glasgow Clyde and Waterfront	113,900,000	2,164,935	4,222,451	8,063,000			
Glasgow Collegelands	27,000,000	1,983,451	3,629,918	4,150,000			
Glasgow MGSDP	40,200,000	4,937,316	8,184,307	16,930,000			
Total Glasgow	385,910,000	32,319,504	84,946,272	118,958,000	16,214,000	61,465,000	72%
Inchgreen	9,427,000	-	-	150,000			
Inverkip	3,250,000	-	8,000	260,000			
Ocean Terminal	14,137,000	239,000	495,031	800,000			
Total Inverclyde	26,814,000	239,000	503,031	1,210,000	257,000	501,000	100%
North Lanarkshire A8/M8*	12,587,000	-155,794	165,185	4,484,000			
North Lanarkshire Gartcosh/Glenboig	66,311,000	790,576	5,515,439	7,317,204			
North Lanarkshire Pan Orbital Transport Corridor	93,565,000	614,920	1,139,367	5,936,000			
Total North Lanarkshire	172,463,000	1,249,702	6,819,991	17,737,204	1,230,000	5,922,000	87%
Renfrewshire CWRR	90,636,000	5,425,566	14,134,000	13,866,000			
Renfrewshire GAIAR	39,049,000	895,222	7,952,000	9,360,000			
Total Renfrewshire	129,685,000	6,320,788	22,086,000	23,226,000	5,353,000	17,409,300	79%
South Lanarkshire Cathkin Relief Road	19,028,457	420,470	14,445,285	21,628,000			
South Lanarkshire Council Community Growth Areas	62,300,000	3,534,006	9,222,581	20,001,000			
South Lanarkshire Greenhills	25,688,011	4,297,720	7,358,417	25,688,011			
South Lanarkshire Stewartfield Way	62,212,230	17,323	203,782	1,205,500			
Total South Lanarkshire	169,228,698	8,269,519	31,230,065	68,522,511	3,126,000	24,951,000	80%
West Dunbartonshire - EXXON	27,897,000	303,818	1,309,637	9,601,000	80,000	1,075,000	82%
Airport Link	144,294,000	460,675	2,404,000	15,149,000	460,000	2,403,700	100%
SPT	30,000,000	-	-		-	-	
Risk Adjustment		-	-		-	-	
Total Infrastructure	1,130,291,698	53,945,782	157,165,354	263,603,195	30,000,000	120,000,000	77%

* The negative spend against A8/M8 (NLC) relates to project realignment by the Member Authority.

Infrastructure Project Funding and Expected Spend versus Grant Drawdowns

The table below shows the actual claims for 2018/19 of £53.9 million compared with the grant drawdowns received of £30 million in 2018/19.

City Deal Infrastructure Financial Monitoring Project Funding and Actual Spend versus Grants Drawdowns as at 31 March 2019

Infrastructure Authority/Project	Revised Project Funding £	Grant Allocation 2018/19 £	Total Claim 2018/19 £
East Renfrewshire M77 Strategic Corridor	44,000,000	3,280,000	4,782,776
Total East Renfrewshire	44,000,000	3,280,000	4,782,776
Glasgow Canal and North	89,290,000		17,495,440
Glasgow City Centre	115,520,000		5,740,539
Glasgow Clyde and Waterfront	113,900,000		2,166,688
Glasgow Collegelands	27,000,000		1,988,334
Glasgow MGSDP	40,200,000		4,938,785
Total Glasgow	385,910,000	16,214,000	32,329,786
Inchgreen	9,427,000		1,000
Inverkip	3,250,000		-
Ocean Terminal	14,137,000		238,598
Total Inverclyde	26,814,000	257,000	239,598
North Lanarkshire A8/M8	12,587,000		-155,794
North Lanarkshire Gartcosh/Glenboig	66,311,000		790,576
North Lanarkshire Pan Orbital Transport Corridor	93,565,000		614,921
Total North Lanarkshire	172,463,000	1,230,000	1,249,703
Renfrewshire CWRR	90,636,000		5,426,290
Renfrewshire GAIA	39,049,000		893,806
Total Renfrewshire	129,685,000	5,353,000	6,320,096
South Lanarkshire Cathkin Relief Road	19,028,457		420,470
South Lanarkshire Community Growth Areas	62,300,000		3,534,006
South Lanarkshire Greenhills	25,688,011		4,297,720
South Lanarkshire Stewartfield Way	62,212,230		17,323
Total South Lanarkshire	169,228,698	3,126,000	8,269,519
West Dunbartonshire - EXXON	27,897,000	80,000	304,113
Total West Dunbartonshire	27,897,000	80,000	304,113
Airport Link (Regional project)	144,294,000	460,000	460,031
SPT (Regional project)	30,000,000	-	
Total Infrastructure	1,130,291,698	30,000,000	53,955,622

£53.9 million
actual spend 2018/19



£30 million
compared with the grant drawdowns
received 2018/19



Skills and Employment Financial Monitoring

There are three Skills and Employability projects. Youth Gateway is fully funded by the Member Authorities, with £31.8 million invested compared to the original £15 million. In Work Progression funding is £0.6 million, equally funded by the Department for Work and Pensions (DWP) and the Member Authorities. The total spend for In Work Progression at 31 March 2019 is £0.34 million.

City Deal Skills and Employment Financial Monitoring Project Funding and Actual Spend versus Grants Drawdowns

Working Matters - Member Authority	Total Project Funding £	Actual Spend 2018/19 £	Cumulative Spend £	Claim Cumulative to 2018/19 £
East Dunbartonshire	100,869	43,873	118,786	118,786
East Renfrewshire	75,851	16,505	67,857	67,857
Glasgow	215,241	30,190	204,767	204,767
Inverclyde	1,912,946	448,826	1,500,193	1,500,193
North Lanarkshire	459,075	13,228	459,075	459,075
Renfrewshire	447,559	73,284	424,865	424,865
South Lanarkshire	522,218	-	522,218	522,218
West Dunbartonshire	237,480	86,509	262,732	262,732
ALL - Working Matters	528,761	101,588	409,501	409,501
Totals	4,500,000	814,003	3,969,994	3,969,994

The table above gives the 2017/18 actual expenditure for the Working Matters project (which was equally funded by Member Authorities and the DWP) and cumulative spend. The actual spend of £814,003 in 2018/19 has been reported on the Statement of Grant Usage to the Department for Work and Pensions and results in a cumulative spend and grant claim of £3,969,944.

£31.8 million

Youth Gateway is fully funded by the Member Authorities



Innovation and Business Growth Financial Monitoring

Funding for the three Innovation and Business Growth projects completed in the period to 31 March 2017.

Case Study: Woodhead Primary School extension

A £3.5million extension to a primary school in Hamilton has been delivered as part of the £1.13 billion Glasgow City Region City Deal.



In total eight new classrooms have been built at Woodhead Primary School to help with the anticipated increase in the school roll as the Hamilton Community Growth Area continues to be delivered.

A brand new nursery class has also been built at the school.

Around 1,800 new homes and improvements to existing infrastructure will be delivered as part of the Hamilton CGA.

The school extension has been completed in time for the new term starting in August 2019.

The main contractor for the works was Morrison Construction Ltd.

South Lanarkshire Council Leader John Ross said:

“There is huge excitement in the Hamilton area about the benefits the CGA will bring.

We do of course recognise that it will have an effect on existing infrastructure and I am delighted that this extension means we are in an excellent position to welcome more families to the Hamilton area.”

PMO Financial Performance

The PMO is fully funded through contributions from the eight member authorities, with the PMO budget set and recharged to member authorities annually.

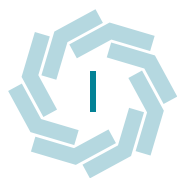
The cost of running the PMO is the main item of expenditure. Salary costs and any administrative expenses incurred are reimbursed in full from the participating authorities.

representing an under-spend of £62,823 mainly due to savings in employee costs. The table below gives a detailed breakdown of the PMO budget.

The PMO had a budget approved of £1,240,436 for the financial year 2018/19. The actual expenditure for the PMO office was £1,177,623

Glasgow City Region: City Deal Programme Management Office Budget Projection 2018/19 as at 31 March 2019

	Actual Costs to 31 March 2019 £	Revised Budget 2018/19 £	Budget Variance £
Total PMO Salary Costs	733,235	833,836	-100,600
Recurring Third Party Costs	177,500	182,500	-5,000
Internal Audit Fees 2016/17	18,300	19,500	-1,200
External Audit Fees 2015/16	8,200	8,000	200
Marketing	1,000	15,000	-14,000
National Evaluation Panel (estimated)	50,000	70,000	-20,000
Commission (estimated)	20,000	20,000	0
Economic Modelling/Analysis	80,000	50,000	30,000
Others	6,888	6,700	188
Provisions	2,000	2,200	-200
Supplies	4,888	4,500	388
Total PMO Spend	917,623	1,023,036	-105,413
Intelligence Hub and Portfolio Development	260,000	117,400	142,600
Portfolio Development Budget	0	100,000	-100,000
Total Intelligence Hub and Portfolio Development	260,000	217,400	42,600
Total PMO and Intelligence Hub and Portfolio Development	1,177,623	1,240,436	-62,813



Monitoring and Evaluation

Gateway Review One

The Glasgow City Region Local Evaluation Plan (LEP), developed by the National Evaluation Panel in partnership with the Commission on Economic Growth, the PMO and Member Authorities provides details of the evaluation tasks that will be undertaken for Gateway Review 1 at the end of 2019/20.

The main strands of the evaluation activity being undertaken are as follows:

- Impact Evaluation;
- Progress Evaluation;
- Capacity Development and Partnership; and,
- Contextual Economic Forecasting;

The Baseline Report for Gateway Review 1 was approved by Cabinet in October 2018 and

the One Year Out Report was approved in February 2019.

The PMO collects quarterly monitoring data from the Infrastructure projects that will be subject to progress evaluation at the first gateway review in December 2019. This output data is reported to the CEG and Cabinet and shared with the National Evaluation Panel.

Project Output Quarterly Monitoring

The quarterly project monitoring report collated by the PMO provides a summary of the direct outputs from City Deal Infrastructure projects.

The early indication of indirect outcomes from projects that may be evident at Gateway Review 1 will be identified and captured during the evaluation activity undertaken by the National Evaluation Panel and reported in their Final Gateway Review Report.

Each tranche of quarterly output reports is included as an appendix to the quarterly Programme Status Report that is provided to the Chief Executives' Group and Cabinet. The table on page 43 shows the report for the end of March 2019.

Risk

A Programme Risk Management Strategy is in place which covers the Programme and individual Member Authority projects, with risks regularly reviewed and updated in line with established reporting requirements and timescales.

Glasgow City Region City Deal Logic Model Project Output Quarterly Reporting

Reporting Period Q4 2018/19 (31 March 2019)	Gateway Review 1; Progress Evaluation Projects Outputs to be Achieved		Outputs Achieved to Date
Glasgow City Region City Deal Project Outputs	Unit of Measurement	Estimated overall Project Output figure (where known)	Cumulative Outputs to Date
Blue Green Infrastructure	square metres	166,447	6,900
Bus lanes (New)	kilometres	0	0
Businesses (New) created	number	15	0
Business Tenants (Number of)	number	17	7
Carriageway with reduced flood risk	kilometres	20	1.6
Commercial space developed	square metres	2,714	2,714
Cycle Routes Created	kilometres	53	9.48
Education/Community Facilities	square metres	9,515	4,005
Junctions (New)	number	3	2
Junctions Improved	number	90	4
Land assembled for commercial development	hectares	114.02	8.43
Land assembled for residential development	hectares	588.1	247.46
Land with reduced flood risk	hectares	2,443	6.9
Pedestrian routes created	kilometres	41	7.96
Pedestrian/ cycle bridges (New)	number	5	0
Properties with reduced flood risk	number	7,178	40
Public realm created	square metres	261,000	25,400
Public realm enhanced	square metres	408,000	6,900
Rail station passengers	number per annum	0	0
Rail stations (New)	number	1	0
Rail Track (New)	kilometres	0	0
Road bridges (New)	number	3	1
Road developed (New)	kilometres	16	2.1
Road enhanced	kilometres	40	1.1
Site reclaimed, (re)developed or assembled (Area of)	hectares	889	205.93
Station upgrades	number	1	0
Vacant and Derelict Land Brought Back into Use	hectares	156	0
Visitor centres (New)	number	1	0
Visitors to the visitor centre	number	0	0
Railway line with reduced flood risk	kilometres	0.3	0.3
Drainage Catchments with improved climate resilience	hectares	2,443	2,418



Outlook

In the year ahead, we will continue to make significant progress in the delivery of our City Deal and our ambitions for Regional growth.

We will go through our first Gateway Review – with an independent evaluation of our progress completed by December 2019 and then assessed by our UK and Scottish Government partners, to release the next tranche of £250 million in funding.

Activities underway to strengthen our governance and operations, including work to refresh the City Deal Programme Business Case and Assurance Framework and our internal review of the Programme, are set to stand us in good stead as we move beyond the Gateway and into the next period of the City Deal delivery.

A number of key milestones are expected across some of the larger infrastructure projects.

Our Regional Economic Strategy which sets out ambitious plans for growth, with targets for jobs, skills, new homes and businesses will be refreshed in the next 12 months, to take account of fast-paced change, the uncertainty of Brexit and also extensive work completed on the Regional Strategic Assessment (RSA).

The RSA provides a detailed individual and collective analysis of the economic performance of the Region and the eight local authority areas that make up the Region. This work will also provide an annual analysis of performance against other UK city regions.

Our Regional Partnership brings together our eight councils with the UK and Scottish Governments, local and national agencies, the private and academic sectors and provides an opportunity and focus to deliver genuine inclusive growth across the whole region.

We remain confident that we are well on track and look forward to building further on all that we have achieved to date.



Kevin Rush

Director of Regional Economic Growth

Glasgow City Region: Economy at a glance



£41.4 million

Total GVA
4th largest City Region
economy outside of London



£46,289

GVA per job filled an increase
of £1,102 from 2016's GVA
per job filled estimate



£29.3

GVA per hours worked –
21.5% increase from
pre-recession levels in 2009



318.5

Total enterprises
per 10,000
population (16+)
– a 51.5 rate
increase from
the estimates
in 2013



42.3%

Proportion of
the working-
age population
educated to a degree-level -
over 500,000 of the Glasgow
City Region's population



**1.8
million**

Total Population
- 33.7% of
Scotland's total
population



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