

Item 4

10th April 2018

Glasgow City Region City Deal

Programme Status Report

Period covered 2th February – 2nd March 2018



GLASGOW
CITY REGION
City Deal

This Programme Report covers the reporting period identified in the title and includes all of the three streams of the City Deal Programme: Infrastructure, Innovation and Skills and Employment.

A RECOMMENDATIONS

Cabinet is asked to:

1. Note the review of the CWRR business case by Renfrewshire Council and that a revised business case and financial projections is expected to be brought forward for consideration by the Cabinet in Summer 2018. (Section B.1)
2. Note the Financial Monitoring Report (refer Section B.2)
3. Approve the implementation of a revised appraisal table at Appendix 4 into Member Authorities' governance processes in the development of their business cases and the PMO processes of review and assessment of business cases.

B OVERALL GCR CITY DEAL PROGRAMME STATUS PROJECT SUMMARY

All business cases that have been submitted to Cabinet require an individual Project Status Report to be completed and issued to the PMO. This will allow the PMO to monitor and report on the approvals agreed by Cabinet.

Table 0-1: Project Status for the Member Authority Business Cases

This table reports on the progress status of all business cases that have been presented to Cabinet.

Project Name	Sub Projects	SBC	OBC	FBC	Scope	Timeline	Finance	Benefits
INFRASTRUCTURE								
East Renfrewshire								
M77 Strategic Corridor		C	C		A	A	A	G
	Levern Works			C	C	C	C	G
	East Renfrewshire Business Boost			C	G	G	G	G
	Levern Valley Access Phase 1: Aurs Road Realignment			F	G	A	A	G
	Levern Valley Access Phase 2: Balgray surface access			F	G	A	A	G
	Barrhead South Access - Phase 1: Balgraystone Road Works			F	A	A	A	G
	Barrhead South Access - Phase 2: New Train Station			F	G	G	A	G
	Dams to Darnley Visitor Centre			F	A	G	G	G
Glasgow City								
Canal and North Gateway		C	C		A	A	A	G
	FBC1: Sighthill: remediation (Contract 1)			C	C	C	C	G
	FBC2: : Sighthill Remediation (Contract 2)			C	G	A	G	G
	FBC3: Sighthill: Cowlairs bridge (Road bridge over railway); Port Dundas: 100 acre hill			F	A	A	A	A
	FBC4: NGIWMS			F	G	A	A	G
	NGIWMS: Cowlairs Link			F	F	F	F	G
	Sighthill: Pedestrian Bridge (M8 Foot/Cycle bridge)			F	G	G	G	G
	Cowlairs Access and Remediation or NGIWMS: Cowlairs Link			F	G	G	G	G
	Speirs Lock: Landscape link AND Port Dundas: North Canal Bank Street / Landscape Link			F	A	G	G	G
	Speirs Lock: Garscube Toll & links			F	F	F	F	G

Project Name	Sub Projects									
		SBC	OBC	FBC	Scope	Timeline	Finance	Benefits		
	Port Dundas: Dobbies Loan			F	F	F	F	G		
	Port Dundas: Pinkston Access and Remediation			F	F	F	F	G		
	Cowlairs Access and Remediation			F	F	F	F	G		
City Centre Enabling Infrastructure Public Realm					A	A	G	G		
	FBC1: Sauchiehall Street Ave: Phase 1			F	G	G	G	G		
	ISL (including Smart Cities)			F	A	A	G	G		
	Living Lab (originally part of ISL)			F	A	G	G	G		
	The Underline (St George's Cross-Cambridge Street-Sauchiehall Street)			F	G	G	G	G		
	Sauchiehall Street Phase 2 (Precinct)			F	F	F	F	G		
	Kyle Street - North Hanover Street			F	F	F	F	G		
	Argyle St West (M8-Buchanan St)			F	F	F	F	G		
	Argyle St East (Buchanan St-Glasgow Cross)	C	C	F	F	F	F	G		
	Elmbank Street + Elmbank Crescent			F	F	F	F	G		
	'IFSD west' cluster			F	F	F	F	G		
	Bath Street East-Cathedral Street			F	F	F	F	G		
	Glassford Street - Stockwell Street			F	F	F	F	G		
	St Enoch's Square - Dixon Street			F	F	F	F	G		
	Broomielaw - Clyde Street			F	F	F	F	G		
	St Vincent Street, St Vincent Place, Cochrane St			F	F	F	F	G		
	Hope Street, Oswald St			F	F	F	F	G		
	John Street			F	F	F	F	G		
	George Street			F	F	F	F	G		
Clyde Waterfront & West End Innovation Quarter					G	G	G	G		
	Developing the Economic Role of QEUH and Adjacencies: Development Deficit Funding 1			F	G	G	G	G		
	Developing the Economic Role of QEUH and Adjacencies: Development Deficit Funding 2			F	F	F	F	G		
	Developing the Economic Role of QEUH and Adjacencies: Development Deficit Funding 3			F	F	F	F	G		
	Developing the Economic Role of QEUH and Adjacencies: Access Improvements			F	F	F	F	G		
	Central Govan Action Plan: Public Realm Improvements (Phase 1- Central Govan AND Phase 2- Active Travel South)			F	G	A	G	G		
	Central Govan Action Plan: Commercial Floorspace 1			F	G	G	G	G		
	Central Govan Action Plan: Commercial Floorspace 2			C	C	F	G	G	G	G
	Developing the Economic Role of GU: Public Realm Improvements (Byres Road)			F	G	G	G	G		
	Developing the Economic Role of GU: PR Improvements (University Avenue & Campus Connections)			F	F	F	F	G		
	Access and Integrity of the Waterfront: Quay Walls-Yorkhill Quay			F	F	F	F	G		
	Access and Integrity of the Waterfront: Quay Walls-Briggait			F	F	F	F	G		
	Access and Integrity of the Waterfront: Quay Walls-Carlton Place			F	F	F	F	G		
	Access and Integrity of the Waterfront: Quay Walls-Windmillcroft Quay			F	F	F	F	G		
	Access and Integrity of the Waterfront: Quay Walls-SECC			F	F	F	F	G		

Project Name	Sub Projects									
		SBC	OBC	FBC	Scope	Timeline	Finance	Benefits		
	Access and Integrity of the Waterfront: Quay Walls-Lancefield Quay			F	F	F	F	G		
	Access and Integrity of the Waterfront: Quay Walls-Custom House Quay			F	F	F	F	G		
	Access and Integrity of the Waterfront: Quay Walls-Govan Graving Docks			F	F	F	F	G		
	Access and Integrity of the Waterfront: Quay Walls-Tradeston			F	F	F	F	G		
	Improving Connectivity between Glasgow University & QEUH: Govan-Partick Bridge			F	F	F	F	G		
	Improving Connectivity between Glasgow University & QEUH: Active Travel Route (North)			F	F	F	F	G		
	Improving Connectivity between Glasgow University & QEUH: Active Travel Route (South)			F	F	F	F	G		
	Developing the Economic Role of SECC/Pacific Quay: Finnieston Link			F	G	G	G	G		
	Developing the Economic Role of SECC/Pacific Quay: Expressway Bridge			F	F	F	F	G		
	Developing the Economic Role of SECC/Pacific Quay: Canting Basin Bridge			F	F	F	F	G		
	Developing the Economic Role of SECC/Pacific Quay: Public Realm- Cessnock Link/Festival Park			F	F	F	F	G		
	Developing the Economic Role of Yorkhill Hospital: Access Improvements			F	F	F	F	G		
	Investing in the Strategic Road Network to Unlock Development: M8 Junction 19			F	F	F	F	G		
	Collegelands Calton Barras							G	G	G
Calton Barras Action Plan - Barras Public Realm		F	G	G			G	G		
CBAP Development Deficit Grant Scheme		F	F	F			F	G		
Calton Barras Action Plan - Site Remediation		C	C	F			F	F	F	G
Road infrastructure and Market Shed		F	G	G			G	G		
Collegelands and Bellgrove Abattoir – Site remediation		F	G	G			G	G		
Rail Infrastructure- High St Station		F	F	F			F	G		
Metropolitan Glasgow Strategic Drainage Partnership					G	G	G	G		
	Camlachie Burn			C	G	G	G	G		
	Cockenzie St & Cardowan			F	G	G	G	G		
	Garrowhill/Ballieston			C	C	F	G	G	G	G
	Croftfoot/Kingspark/Overwood Drive			F	G	G	G	G		
	Drumchapel			F	F	F	F	G		
	Hillington/Cardonald/Darnley			F	F	F	F	G		
	Fullerton Ave/East Springburn/ High Knightswood			F	F	F	F	G		
Inverclyde										
Inverkip		C	C	F	A	A	G	G		
Ocean Terminal	Marine Works	C	C	F	A	A	G	G		
Ocean Terminal	Terminal Building	C	C	F	A	A	G	G		
Inchgreen		F	F	F	G	G	G	G		
North Lanarkshire										
A8 M8 Corridor Access Improvements	Eurocentral: Holytown Link Rd		C	F	G	G	G	G		
	Eurocentral: Park & Ride/Share		C	F	G	G	G	G		
	Orchard Farm Roundabout		F	F	G	G	G	G		

Project Name	Sub Projects	SBC	OBC	FBC	Scope	Timeline	Finance	Benefits
Gartcosh/Glenboig CGA	Glenboig Link Rd		C	C	G	A	A	G
	Gartcosh Park & Ride		F	F	G	G	G	G
	M80 Corridor Park & Ride/Share		F	F	G	G	G	G
	Gartsherrie Link Rd		F	F	A	G	G	A
	A80 Link Rd		F	F	G	G	G	G
	Cardowan to Lochend Link Rd		F	F	A	G	A	A
Pan Lanarkshire Orbital Transport Corridor	Ravenscraig Infrastructure Access	C	F	F	G	G	G	F
	East Airdrie Link Rd		F	F	G	G	G	G
	Motherwell TC: Muir St		F	F	G	A	G	G
	Motherwell TC: Park & Ride and Active Travel		F	F	G	G	G	G
Renfrewshire								
Clyde Waterfront and Renfrew Riverside		C	C	G	A	A	G	G
Glasgow Airport Investment Area		C	C	G	G	G	G	G
South Lanarkshire								
Cathkin Relief Road		C	C	C	G	G	G	G
Greenhills Road A726		C	C	F	G	G	G	G
Stewartfield Way		C	F	F	G	A	G	G
Community Growth Area - Newton		C	C	F	G	A	G	G
	Newton CGA Park and Ride			C	C	C	C	G
	Newton Farm Primary School			C	C	C	C	G
	Westburn Roundabout			F	G	G	G	G
Community Growth Areas-Hamilton		C	C	F	G	A	G	G
	Woodhead Primary			F	G	G	G	G
	Sherry Drive – Starhaven Road Junction Improvements			F	G	A	G	G
	Highstonehall Access Improvements			F	G	A	G	G
	Calderside Academy			F	G	G	G	G
Community Growth Areas-Larkhall		C	C	F	G	G	G	G
	Chatelherault Nursery			F	F	F	F	F
Community Growth Areas-East Kilbride		C	F	F	G	G	G	G
West Dunbartonshire								
Exxon Site Development Project		C	C	F	G	A	G	G
Regional Projects								
Airport Access (Regional Project)		C	C	F	G	R	G	G
SPT- Strathclyde Bus Investment Programme		F	F	F	F	F	F	F
INNOVATION PROGRAMME								
Stratified Medicine: Imaging Centre of Excellence (ICE)		N/A	N/A	C	C	C	C	G
MediCity		N/A	N/A	C	C	C	C	G

Project Name	Sub Projects	SBC	OBC	FBC	Scope	Timeline	Finance	Benefits
Tontine (IGI)		N/A	N/A	C	C	C	C	G
SKILLS & EMPLOYMENT PROGRAMME								
In-Work Progression		N/A	N/A	C	G	G	G	G
Working Matters (ESA)		N/A	N/A	C	G	G	A	G
Youth Gateway Guarantee		N/A	N/A	C	G	G	G	G

C	Complete	
R	Red	Successful delivery of the project as detailed in the business case appears to be unachievable. There are major issues on project definition, schedule, budget, quality and/or benefits delivery, which at this stage do not appear to be manageable or resolvable. The project may need re-scoping and/or its overall viability reassessed.
A	Amber	Successful delivery of the project as detailed in the business case appears feasible but significant issues already exist, requiring management attention. These appear resolvable at this stage and, if addressed promptly, should not present a cost/schedule overrun.
G	Green	Successful delivery of the project as detailed in the business case to time, cost and quality appears highly likely and there are no major outstanding issues that at this stage appear to threaten delivery significantly
F	Future	

B.1 PROJECT SUMMARY - PROJECTS INDICATING AN AMBER OR RED STATUS

East Renfrewshire

Levern Valley Access - Phase 1: Aurs Road Realignment reports at Amber on Timeline due to delay in obtaining Ground Investigation results. An updated budget and timetable will be presented to a future CEG.

Levern Valley Access - Phase 2: Balgray Surface Access Scope and Financial Information reports at Green. Timeline is noted at Amber with a recovery plan in place as a result of a delay in modelling output.

Barrhead South Access - Phase 1: Balgraystone Road Works reports at Amber on timeline with a completion date delayed from June 2018 as a result of the re-scoping / tendering exercise and at Amber on finance as the required budget is being reviewed.

Barrhead South Access - Phase 2: New Train Station reports at Amber on Finance as the expenditure profile reported in November 2017 of £565k will not be achieved. The probable outturn figures shown above is in line with the financial information submitted to PMO finance office on 2 March 2018.

Dams to Darnley Visitor Centre reports at Amber on Scope as project scope is being developed to take account of the possibility of co-location with the Wake Park facility (not City Deal-funded).

Glasgow City Council

Sighthill Remediation (Contract 2): Delay to Contract 1 works required a phased handover of development platforms to contract 2. The impact is being established at present and confirmed alterations to timeline will be reported once known. Timeline remains amber until impact assessed.

FBC 3 Sighthill: Cowlairs bridge (Road bridge over railway) and Port Dundas: 100 acre hill: is at Amber to reflect the business case approval at CAB subject to further information being presented to PMO and CEG. The projects continue to develop and are recorded at Green within the MA Report.

FBC4: NGIWMS is reported at Amber due to a delay in formal agreements being put in place.

Speirs Lock: Landscape Link and Port Dundas: North Canal Bank Street: is at Amber because the GCC reports these two projects have now merged together. GCC to submit Change Control or await approval of updated FBC 3 at CEG.

ISL (including Smart Cities): is reporting at Amber as scope has changed due to sub-element of the ISL, called "Living Lab. ISL FBC is schedule for submission for CEG of 1 March 2018.

Living Lab (originally part of ISL): GCC has confirmed that a sub-element of the ISL, called "Living Lab" will be submitted as an FBC for the CEG of 21 June 2018. Living Lab is work that was originally within the remit of the ISL project (the innovation element), but not included within the ISL FBC. It is not an increase in scope, purely an alternate delivery mechanism for an aspect of the original EIIPR OBC scope. GCC has advised that the augmented EIIPR OBC will fully incorporate the stand-alone Living Lab requirements (with intended FBC submission for 21st June 2018 CEG).

Central Govan Action Plan: Public Realm Improvements reports at Amber on Timeline due to submission delays.

Inverclyde:

Inverkip reports Amber on scope as discussion on design and traffic flows have recommenced and reaching conclusion on a satisfactory solution is taking longer than anticipated and on timeline as the internal approval process within the respective partner organisations have taken much longer than anticipated (the FBC will now be submitted in October 2018 – approx. 6 month delay).

Ocean Terminal - Marine Works the Marine element and shoreside element in order that the marine works can be delivered ahead of the shoreside works . This project reports Amber on scope as parliamentary agents have indicated the requirement for a Harbour Revision order. It also reports Amber on Timeline as Parliamentary agents have indicated the requirement for a Harbour Revision Order (HRO) can take up to 12 months (the FBC will now be submitted in October 2018 – approx. 6 month delay).

Ocean Terminal - Terminal Building reports Amber on scope as a parallel design process is ongoing for an enhanced scheme including museum / gallery space as well as restaurant on the upper floor of the footprint, which would be funded by the Dunard Trust and the decision on whether to proceed with this scheme will be taken prior to FBC submission. It also reports Amber on Timeline as Parliamentary agents have indicated the requirement for a Harbour Revision Order (HRO) can take up to 12 months(the FBC will now be submitted in October 2018)

North Lanarkshire:

Glenboig Link Road reports Amber for Timeline as Contract 3 is currently not in line with the accepted programme, due to contractor delays and inclement weather and this will affect the completion date for the contract. It also reports Amber on Finance as there are unquantified compensation events due to construction programme delays and amendments.

Gartsherrie Link Rd scope is at Amber as NLC are considering the rationale for investment in light of completed market demand study. The Strathclyde freight study and City Deal Rail Freight Infrastructure Assessment suggests a review of the project and programme of the Gartsherrie link Road especially in light of the recent PD Stirling Planning appeal decision. OBC submission is due 2023.

The Cardowan to Lochend Link Road scope and finance reports at Amber as GCC currently reviewing the level of private housing sector interest in the SDF and to feedback to NLC on future next steps. Initial scope for the Cardowan link road by NLC as part of GCR City Deal does not meet the wider transportation needs of the Greater Easterhouse Strategic Development Framework finalised in Sept 2016 by GCC. Additional funding will be required and dependant on other private/public sector funding sources. Implications of wider Trunk Road network remain unknown of a larger infrastructure proposal.

Motherwell TC: Muir St reports at Amber on timeline due to delay on FBC submission (date to be confirmed)

Renfrewshire Council:

Clyde Waterfront and Renfrew Riverside reports at Amber as Renfrewshire Council has notified the PMO of its proposal to review the existing business case for the CWRR project in order to maximise its economic potential following the December 2017 announcement by the Scottish Government that the National Manufacturing Institute for Scotland (NMIS) was to be located within Renfrewshire.

NMIS represents a £65 million investment which will sit at the centre of what has now become an emerging proposal for Scotland's Advanced Manufacturing District (to include GAIA, Inchinnan Business Park and Westway). This has the potential to become the largest economic development opportunity in the city region and one of the most significant nationally. Interest from high profile national and international manufacturing investors is already emerging and current estimates are that the GAIA could generate up to 10,000 new jobs.

It is anticipated that a revised business case and financial projections will be brought forward for consideration in Summer 2018.

South Lanarkshire:

Stewartfield Way Transport Capacity Enhancements: reports at Amber on timeline due to Uncertainty in relation to land acquisition and timescales for accommodation works for the Stewartfield Way project means it has been necessary to restate the programme and move the project completion date out. This has been reflected in the recent revised cash-flow projections

Sherry Drive & Strathaven Road Junction Improvements: reports at Amber on timeline due to impact of other works on local road network being reviewed and will influence decision on when to programme construction works. This may mean slipping project to commence Spring 2019 (instead of October 2018)

West Dumbartonshire: reports at Amber on Finance due to unquantified additional costs due to the slippage of the remediation works by EXXON and additional OBC review following the Ekos appraisal.

Regional Projects:

Airport Access: has now been escalated to a Red status in recognition of the risk to project delivery and will require all stakeholders to work collaboratively to deliver the project by 2024.

Skills Projects:

Working Matters: Working Matters finance remains at Amber pending the discussion of the report regarding the Working Matters Programme Update by the CEG on 29/3/18 and the potential financial implications.

Innovation Projects:

Currently, the three innovation projects are reporting as green.

Programme Risks

The Programme Risk Register was updated and all updates are noted in bold and italics in Appendix 2.

Issues

The Programme Issue Log has been updated and all updates are noted in bold and italics in Appendix 3.

New issue: PMO are concerned there are insufficient resources available to carry out business case reviews

FINANCIAL REPORTING

B.2 EXPECTED SPEND VS BUSINESS CASE APPROVALS BY PROJECT

Table 1 below, details the total expenditure per project from the latest estimates as at 2 March 2018. This is then compared with previous years spend, the projected spend for 2017/18 and the 2017/18 baseline. This table includes the £1bn from the Scottish and UK Governments and the £130m member authorities' contribution.

The spend for infrastructure projects for previous years is £56.351m. The current projected spend for 2017/18 is £49.458m which is £11.429m below the baseline. Following discussions with SPT it is unlikely that they will be able to submit a business case for review prior to the end of the financial year. This will impact on the spend position in the current financial year and future years and therefore the forecast expenditure has been adjusted to reflect this. There has been a decrease in the projected spend in East Renfrewshire (£0.955m) and South Lanarkshire (£0.973m) almost wholly offset by an expected increase in spend in Glasgow (£1.664m) and Renfrewshire Council (£0.202m) from the previous month. The actual spend to date in 2017/18 is £36.309m which represents 73% of the projected spend for 2017/18. The expected spend for 2017/18 within Glasgow may increase considerably from the £25.783m shown below dependent on the timing of significant value contractual payments for projects.

The cumulative grant allocation to the end of 2016/17 was £60m with a further £30m due in 2017/18. The cumulative to date spend is £92.659m compared with a cumulative expected spend to the end of 2017/18 of £105.808m (88%). The current City Deal Programme financial reporting tables are being reviewed by the Finance Strategy Group and proposals to improve the financial reporting will be brought forward in the future.

CITY DEAL INFRASTRUCTURE FINANCIAL MONITORING										TABLE 1
ACTUAL SPEND vs BUSINESS CASE APPROVALS BY PROJECT										
AS AT 2 MARCH 2018										
Infrastructure Authority/Project	Estimated Project Funding	Previous Years Spend	Expected Spend 17/18	Baseline 2017/18	Cumulative Projected Spend to 17/18	CTD Spend	Funding Allowed through Business Case Stage Approvals	Previous Years Grant Allocation	Grant Allocation 2017/18	Cumulative grant/ cumulative projected spend
ERC M77 Strategic Corridor	44,000,000	1,784,556	1,190,000	3,200,000	2,974,556	2,571,495	8,287,480	2,249,000		
Levern Works							912,000			
	44,000,000	1,784,556	1,190,000	3,200,000	2,974,556	2,571,495	9,199,480	2,249,000	2,002,000	143%
Glasgow Canal and North (Sighthill)	73,390,000	21,694,547	18,137,229	13,581,804	39,831,776	38,244,533	63,058,000			
Glasgow Canal and North	15,900,000	341,713	805,951	1,530,592	1,147,664	1,078,596				
Glasgow City Centre	115,520,000	1,122,103	2,012,185	3,185,484	3,134,288	2,789,066	22,509,000			
Glasgow Clyde and Waterfront	113,900,000	818,592	1,016,044	962,636	1,834,636	1,779,921	7,390,000			
Glasgow Collegelands	27,000,000	521,743	1,131,775	1,375,317	1,653,518	1,456,200	4,150,000			
Glasgow MGSDP	40,200,000	537,735	2,679,710	3,482,812	3,217,445	3,063,616	7,738,000			
Total Glasgow	385,910,000	25,036,433	25,782,894	24,118,645	50,819,327	48,411,932	104,845,000	25,942,000	11,286,000	73%
Inchgreen	9,427,000	-		-		-				
Inverkip	3,250,000	8,000	300,000	1,000,000	308,000	28,000	260,000			
Ocean Terminal	14,137,000	42,000	300,000	300,000	342,000	105,869	800,000			
Total Inverclyde	26,814,000	50,000	600,000	1,300,000	650,000	133,869	1,060,000	201,000	1,183,000	213%
North Lanarkshire A8/M8	12,587,000	274,726	821,482	930,982	1,096,208	416,081	4,484,000			
North Lanarkshire Gartcosh/Glenboig	66,311,000	2,170,735	3,015,862	3,035,431	5,186,597	3,770,805	7,317,204			
North Lanarkshire Pan Orbital Transport Corridor	93,565,000	205,306	325,694	400,314	531,000	257,353	4,601,000			
Total North Lanark	172,463,000	2,650,767	4,163,038	4,366,727	6,813,805	4,444,239	16,402,204	4,042,000	2,976,000	103%
Renfrewshire CWRR	90,636,000	3,103,434	8,610,000	8,297,000	11,713,434	4,930,000	13,866,000			
Renfrewshire GAIAR	39,049,000	2,626,778	4,399,000	4,868,000	7,025,778	6,805,000	9,360,000			
Total Renfrewshire	129,685,000	5,730,212	13,009,000	13,165,000	18,739,212	11,735,000	23,226,000	6,427,000	6,133,000	67%
South Lanarkshire Cathkin Relief Road	19,028,457	13,539,021	500,000	1,870,000	14,039,021	13,945,046	21,628,000			
South Lanarkshire Council Community Growth Areas	62,300,000	4,554,018	970,045	1,801,623	5,524,063	5,615,657	10,791,000			
South Lanarkshire Greenhills	25,688,011	1,105,027	1,917,796	4,482,838	3,022,823	2,888,757	2,358,000			
South Lanarkshire Stewartfield Way	62,212,230	157,849	35,000	50,000	192,849	185,690	1,205,500			
South Lanarkshire Total	169,228,698	19,355,915	3,422,841	8,204,461	22,778,756	22,635,150	35,982,500	19,284,000	-	85%
West Dunbartonshire -EXXON	27,897,000	539,313	500,000	1,159,766	1,039,313	939,398	3,448,000	617,000	1,082,000	163%
Airport Link	144,294,000	1,203,325	790,000	1,372,000	1,993,325	1,788,000	15,149,000	1,238,000	1,338,000	129%
SPT	30,000,000	-	-	4,000,000	-	-			4,000,000	
TOTAL INFRASTRUCTURE	1,130,291,698	56,350,521	49,457,773	60,886,599	105,808,294	92,659,083	209,312,184	60,000,000	30,000,000	85%

B.3 YOUTH GATEWAY

Table 0-1: Youth Gateway Cumulative Spend

SKILLS AND EMPLOYMENT Authority/Project	Revised Project Funding	Actual Spend 15/16	Spend 16/17	Actual Spend in 17/18 to Q3	Cumulative Spend to date	Grant Allocation 16/17	Claim to Date	%age in year claim to date
EDC - Youth Gateway	360,000	273,000	171,250	109,208	553,458	N/a		
ERC - Youth Gateway	300,000	101,500	127,995	101,376	330,871	N/a		
IC - Youth Gateway	900,000	-	493,000	455,780	948,780	N/a		
GCC - Youth Gateway	6,300,000	6,000,000	3,072,000	5,156,211	14,228,211	N/a		
NLC - Youth Gateway	2,400,000	1,700,000	2,042,788	1,578,373	5,321,161	N/a		
RC - Youth Gateway	1,560,000	1,200,000	817,458	688,598	2,706,056	N/a		
SLC - Youth Gateway	2,400,000	1,300,000	741,958	703,102	2,745,060	N/a		
WDC - Youth Gateway	780,000	588,000	265,302	788,337	1,641,639	N/a		
TOTAL YOUTH GATEWAY	15,000,000	11,162,500	7,731,751	9,580,985	28,475,236			

This table shows the cumulative spend to date against the funding to Q3 of 2017/18. Target spend has now been achieved by all member authorities. These costs are all funded by member authorities.

B.4 CITY DEAL SKILLS AND EMPLOYMENT FINANCIAL MONITORING

Table 0-2: Working Matters Actual Spend

CITY DEAL SKILLS AND EMPLOYMENT FINANCIAL MONITORING PROJECT FUNDING AND ACTUAL SPEND vs GRANT DRAWDOWNS										TABLE 5
SKILLS AND EMPLOYMENT Authority/Project	Revised Project Funding	Previous Years Spend	Projected Spend 17/18	Previous Years and Projected 2017/18	Actual Spend in 17/18 to Q3	Cumulative Spend to Q3	Grant Allocation Previous Years	Claim Cumulative to 17/18	%age in year claim to date	
EDC - Working Matters	100,869	31,684	43,056	74,740	31,913	63,597	31,684	63,597	74%	
ERC - Working Matters	75,851	19,523	31,890	51,413	24,034	43,557	19,523	43,557	75%	
IC - Working Matters	215,241	102,577	71,705	174,282	53,543	156,120	102,577	156,120	75%	
GCC - Working Matters	1,912,946	477,149	712,800	1,189,949	348,219	825,368	477,149	825,368	49%	
NLC - Working Matters	459,075	274,696	168,761	443,457	162,456	437,152	274,696	437,152	96%	
RC - Working Matters	447,559	221,212	115,750	336,962	46,506	267,718	221,212	267,718	40%	
SLC - Working Matters	522,218	348,146	191,700	539,846	73,871	422,017	348,146	422,017	39%	
WDC - Working Matters	237,480	66,034	89,650	155,684	73,989	140,023	66,034	140,023	83%	
ALL - Working Matters	528,761	183,127	128,351	311,478	91,151	274,278	183,127	274,278	71%	
TOTAL WORKING MATTERS	4,500,000	1,724,148	1,553,663	3,277,811	905,682	2,629,830	1,724,148	2,629,830	58%	
Cumulative projection 1/4/2015 to end of 2018 compared with DWP available grant funding				72.84%						
Actual spend in 2017/18 compared with projected spend for 2017/18					58.29%					

The above table shows the actual spend on the Working Matters programme to Q3 of 2017/18 compared with projected spend and funding. This table shows that the cumulative projected spend to the end of 2017/18 is £3,277,811 which is 73% of the funding available and actual spend in 2017/18 is £905,682 which represents 58% of the projected spend for 2017/18. This table shows spend against the DWP contribution of £4.5m only. There is also match funding of £4.5m by member authorities with cumulative spend of £1.977m to Q3 of 2017/18.

Table 0-3: In Work Progression Funding, Spend and Grant Claim

SKILLS AND EMPLOYMENT Authority/Project	Revised Project Funding	Previous Years Actual Spend	Actual Spend 17/18	Cumulative Spend to date	Grant Allocation 17/18	Claim to Date	%age in year claim to date
In Work Progression	300,000		13,216	13,216	13,216	13,216	100%

The above table shows the funding, spend and grant claim to the end of quarter 3 2017/18. This table shows spend of £0.013m against the DWP contribution of £0.3m only. There is also match funding of £0.3m with cumulative spend of £0.142m to Q3 of 2017/18.

B.5 PMO BUDGET

The PMO budget is £1.1m for 2017/18. The budget projection is showing an underspend of £43k in 2017/18. This is an expected outturn and not a final position. This includes costs of approximately £6k in relation to reviewing business cases incurred by Project Management and Design Division within Glasgow City Council DRS. Also included is an increase in costs of £5,000 from the previously approved £50,000 to £55,000 in respect of an exercise to ensure that Business Cases were Green Book compliant. This underspend of £43k is mainly due to an expected reduction in salary costs due to vacant posts (£84k) and reduced costs in relation to the Transport Cumulative Assessment (£40,000) partly offset by increased costs in relation to business cases review and training (£81k).

C PROGRAMME ACTIVITIES

C.1 INFRASTRUCTURE

C.1.1 Business Cases

Business cases anticipated to be submitted to PMO on 16 March 2018 for review and approval at CEG 26 April 2018 (and possibly CAB 5 June 2018) are:

1. Glasgow City Council: MGSDP - Cockenzie St & Cardowan FBC
2. Glasgow City Council: Canal and North Gateway - Speirs Lock: Landscape link & Port Dundas: North Canal Bank Street

Business cases anticipated to be submitted to PMO on 13 April 2018 for review and approval at CEG 24 May 2018 (and possibly CAB 5 June 2018) are:

1. South Lanarkshire Council: CGA Newton - Westburn Roundabout FBC
2. South Lanarkshire Council: CGA Hamilton - Woodhead Primary School Extension FBC
3. South Lanarkshire Council: CGA Hamilton - Sherry Drive: Starhaven Road Junction Improvements FBC
4. South Lanarkshire Council: CGA Hamilton - Highstonehall Road FBC
5. South Lanarkshire Council: CGA East Kilbride OBC

Ekos as part of their recent appointment regarding Green Book Compliance developed a new appraisal table, this table has been circulated and comments received from both Governments and circulated to the Member Authorities. The table is included at Appendix 5 and will be included within the revised Assurance Framework to be presented to CEG and Cabinet in Summer 2018.

The PMO is seeking approval from Cabinet that the Member Authorities will incorporate this new appraisal table into their processes and make the necessary adjustments to their business cases prior to submission to the Programme. This will lessen the application of conditional approvals; the requirement for additional reviews which will add a resource burden to the MA and the PMO

C.1.2 Business Case Reviews

Ekos have completed the majority of the OBC reviews; with the exception of South Lanarkshire Council Hamilton and Larkhall Community Growth OBCs. Feedback for the reviews has been issued individually to the Member Authorities Lead Officers as they have become available.

It has been agreed Ekos will carry out 1 further review of each OBC as the documents are augmented with additional information required to make them Green Book compliant. It is prudent the MA should acknowledge the review and endeavour to submit further information. It was agreed at LOG 23 March 2018 to hold a short term working group regarding business case development to assist each MA with a consideration of the reviews, where requirements may be too onerous and where they may work together in the development of any calculations.

C.2 RISKS AND ISSUES

All support groups' Risk Registers and Issue Logs have been consolidated into a single Programme Risk Register in Appendix G.2 APPENDIX 2: PROGRAMME RISK REGISTER and a single Programme Issue Log.

An issue that has been added this cycle relates to support required for the PMO to carry out business case reviews. To ensure robust reviews the PMO require assistance as detailed in G1 of this section. As the appraisal table has been developed and the questions have become more intergrated the reviewers are requested to be part of the review meeting rather than working in isolation.

C.3 COMMUNICATION, MARKETING AND STAKEHOLDER ENGAGEMENT

Scottish Parliamentary Inquiry

Following consideration of the Scottish Parliamentary Inquiry findings at February Cabinet, a formal response [letter](#) was issued by the Cabinet Chair to the Committee providing an update on the review underway and work on Inclusive Growth. The Scottish Government also provided a response to the findings in the form of a [letter](#) issued from Keith Brown, MSP - Cabinet Secretary for Economy, Jobs and Fair Work.

Westminster Hall Debate

A thirty minute debate was held in Westminster Hall on Tuesday 27th February on the subject of Progress on Scottish City Deals. This was prompted by a request from the MP for Glasgow North East, Paul Sweeney. A short briefing was issued to UK Treasury in advance and a transcript of the debate is available.

Working Matters

The PMO ran a social media campaign w/c 19th February to raise awareness of the closing date for Working Matters and to attempt to generate some direct referrals. Four short films were created from interviews with Working Matters clients and the operational lead. These were posted on the City Deal youtube channel. Further content was developed for the Working Matters area of the City Deal website and South Lanarkshire Council provided updated info graphic content. Social media messaging / content and scheduling for the period of the campaign was planned in advance. A range of public and third sector stakeholders were also contacted in advance and during the campaign, to request support through re-tweets / likes and awareness raising to other relevant organisations and groups.

In terms of impact, a review of the twitter and YouTube stats for February are encouraging. The City Deal twitter account gained more than 100 followers in the period, increasing numbers to beyond the 1,000 mark. Over 760 profile visits were recorded, compared to 260 the previous month. Total engagements reported for the month were 169,000, compared to a 20,000 monthly average. This would indicate an excellent depth of reach. The Glasgow City Region YouTube channel, which now hosts 19 short films, saw an increase of over 400 film views – up from 604 to over 1,000. There were no direct referrals generated. However, there will be an assessment of numbers coming through at a local authority level. Overall, it is considered the campaign worked well and the intention is to build on learning gained for future activities.

UK Government Filming

The Scotland Office is progressing the creation of individual short films on all Scottish City Deals. Filming took place in Glasgow on 20th and 21st March for the short film on the GCR City Deal.

Media

Media in the period includes a feature in the Barrhead News referring to budgets and timing of ERC projects. The Paisley Gazette ran a piece on the Renfrew / Yoker bridge and potential alternative proposals. The Greenock Telegraph featured news on progress on Inverclyde's Inchgreen and Ocean Terminal projects and discussions underway with Peel Ports. The Evening Times covered the Westminster Hall debate quoting statements by Paul Sweeney, MP about a lack of progress on the Glasgow Airport Rail link. Glasgow issued a media release on upcoming public realm contracts worth in the region of £130 million.

C 4 GATEWAY REVIEW 1 AND CONTRACTS REPORTING

Appendix 3 of this report provides the latest quarterly data regarding contracts and community benefits secured through contracts entered into by MAs in order to deliver the City Deal projects. This data is provided to the PMO by the MAs through a Contracts Register which is updated quarterly.

As part of the requirements for Gateway Review 1 progress made on the delivery of project outputs requires to be reported to the National Evaluation Panel. Following the agreement of the Local Evaluation Plan, the PMO will report the project outputs to Cabinet. This data will be collected quarterly by the PMO and submitted to the National Evaluation Panel.

APPENDIX 1: PROGRAMME RISK REGISTER

Programme Director: Kevin Rush

Last reporting period: 09/02/2018

Date updated: 03/04/2018

Risk Ref	Status	Risk Category	Risk Description		Inherent Impact	Inherent Probability	Inherent Risk Score	Inherent Rank	Owner	Logged by	Controls Action	Resid. Impact	Resid. Probability	Resid. Risk Score	Resid. Rank	Date Checked	Movement in period
			Challenge	Impact													
rsk 0001	Open	Finance	Delay in overall programme delivery leading to non achievement of milestones	Underspends in overall programme leading to reputational risk	5	3	15	High	MA	PMO-PM	Financial Reporting framework to identify problems at early stage. Underspend in the first two years noted and reported. City Deal monies utilised by Member Authorities on Non city deal projects. Programme spend for 2017/18 will be monitored. Ongoing monitoring and exercise underway to compare baseline with new projections. Baseline 2017/18 figures received and reported and included in PMO report for comparison. Received quarterly phasing of expenditure for 2017/18 from all member authorities. Requested updated projections of first 5 years spend to align with Gateway Review and to report on thereafter. First 5 years spend received and reviewed by FSG and further work and review required.. PMO staff met with member authorities and requested and received prudent first 5 year spend projections. Figures reviewed by Finance Managers, Project Managers, S95 Officers and PMO staff. Submitted report to FSG and CEG on review findings and first 5 year projected spend. Report agreed by FSG and CEG and figures now provided to SQW on first 5 year	5	3	15	High	03/04/2018	↔

Risk Ref	Status	Risk Category	Risk Description		Inherent Impact	Inherent Probability	Inherent Risk Score	Inherent Rank	Owner	Logged by	Controls Action	Resid. Impact	Resid. Probability	Resid. Risk Score	Resid. Rank	Date Checked	Movement in period	
			Challenge	Impact														
											spend projections including a risk adjustment. These projections were updated and approved at CEG on 29 th March 2018.							
rsk 0002	Open	Finance	Delay in development and approval of business cases leading to pressure on programme delivery and milestone achievement	Slippage in the overall programme due to approvals lagging behind spend	3	3	9	Medium	MA	PMO-PM	Member Authorities to ensure development of their projects align with scheduled programme of business case submissions.	3	3	9	Medium	03/04/2018	↔	
rsk 0003	Open	Physical/Assets	Utility companies investment plans align with City Deal Programme outputs and outcomes	Increased cost, delay or failure to deliver.	3	3	9	Medium	MA	ERC PMO-MMcD	Early engagement with utility companies informing them of the programme plans. Infrastructure Portfolio led by East Renfrewshire has established a utility forum with an initial meeting in September 2017 and a proposal for a working group agreed by LOG in November 2017. Follow up utilities meeting scheduled for May 2018.	2	3	6	Medium	03/04/2018	↔	
rsk 0004	Open	Delivery/Finance	Failure to deliver programme and projects benefits	Potential failure at Gateway Review.	3	2	6	Medium	MA	PMO-KR	National and local evaluation frameworks discussed by Cabinet on 11/10/17. An update on the development of the draft Local Evaluation Framework in on the agenda for CAB on 10th April 2018. Quarterly project output reporting has commenced..	3	2	6	Medium	03/04/2018	↔	

Risk Ref	Status	Risk Category	Risk Description		Inherent Impact	Inherent Probability	Inherent Risk Score	Inherent Rank	Owner	Logged by	Controls Action	Resid. Impact	Resid. Probability	Resid. Risk Score	Resid. Rank	Date Checked	Movement in period
			Challenge	Impact													
rsk 0005	Open	Physical/Assets	Lack of appropriate skills and labour being available.	Slippage and delays in projects requiring specialist knowledge and potential additional costs to contracts	3	3	9	Medium	SEWG	SLC/PMO-MMcD	TERU have concluded their review and presented their report to CEG on 4th May 17. The Skills and Employment Working Group are undertaking work to analyse the skills supply that will be available during the construction period for the CD infrastructure projects. The SEWG are working on a report to implement key aspects of the SIP and this will be brought to Cabinet.	2	2	4	Medium	03/04/2018	↔
rsk 0006	Open	Regulatory	Governance procedures are not fit for purpose	Decision making will be difficult or inappropriate	3	1	3	Medium	PMO	PMO-KR	Ensure appropriate governance procedures are fit for purpose with a regular review of the Assurance Framework (every six months) and four weekly status review of all projects. Internal Audit have set up a Audit Support group to determine reliance to be placed on Member Authorities internal governance procedures.	3	1	3	Medium	03/04/2018	↔
rsk 0008	Open	Reputational	Negative press coverage	Negative impact on reputation of the Glasgow City Region CD Programme and Partnership	3	2	6	Medium	MA	PMO-CK	Regular updates on progress to ensure positive coverage. Development of forward plan of key milestones and communication activities. Project Communication Plans developed for each project. Programme Communication & Marketing Strategy agreed.	2	2	4	Medium	03/04/2018	↔
rsk 0009	Open	Delivery	Delay in assessment of transport projects included within Cumulative Transport Modelling	Transport projects delayed or unable to be assessed against programme criteria.	4	3	12	High	MA	TAG PMO-CC	Transport Group remit includes the management of the timescales for the cumulative modelling. Transport Group set up and are involved in a peer review of the Business Cases. CEG and CAB have approved the appointment of Aecom to carry out a cumulative assessment. Report will be considered by TAG prior to	4	3	12	High	03/04/2018	↑

Risk Ref	Status	Risk Category	Risk Description		Inherent Impact	Inherent Probability	Inherent Risk Score	Inherent Rank	Owner	Logged by	Controls Action	Resid. Impact	Resid. Probability	Resid. Risk Score	Resid. Rank	Date Checked	Movement in period
			Challenge	Impact													
											submission to CEG in May 2018.						
rsk 0010	Open	Delivery	Project business cases are affected by related projects and/or alignment of stakeholders' priorities (e.g. SRS, IIP, HLOS)	Impact on delivery	3	3	9	Medium	MA	PMO-MMCD	Programme/project Business Cases should highlight dependencies and interdependencies which should be escalated as appropriate.	3	2	6	Medium	03/04/2018	↔
rsk 0011	Open	Procurement	Failure to deliver community benefits as detailed in the Programme Community Benefit Strategy.	Community Benefits from City Deal Infrastructure Projects are not maximised and not made accessible to the most disadvantaged groups within the region.	3	4	12	High	MA	PMO - LPSG & SEWG	The PMO has provided a report to the CEG (30/11/17) with an analysis of community benefits secured from the CD to date. <i>In line with the recommendations of the report each MA has identified a lead officer for community benefits and they are liaising with the PMO to bring forward actions to maximise community benefit opportunities from City Deal contracts.</i>	2	3	6	Medium	21/03/2018	↑
rsk 0012	Open	Regulatory/Legal	Insufficient engagement between the Commission & NEP with the City Deal Programme	Ineffective liaison with the National Panel, the Economic Support Group and the CEG and CAB.	2	2	4	Medium	MA	PMO-KR	SQW presented the draft LEP to the Commission on 6/2/18 and the Commission provided both written and verbal feedback to inform the development of the document. The latest draft of the LEP has been shared with the Commission by the National Evaluation Panel.	2	3	6	Medium	21/03/2018	↔
rsk 0013	Open	Legal	Absence of detailed guidance from SG on implementation of European Single Procurement Document may lead to procurement challenges	Delay and increased cost of Projects	4	3	12	High	MA	LPSG/PMO-MM	SG to be requested to produce guidance; MAs to work together to identify issues and introduce processes designed to overcome them; MAs to arrange training.	4	2	8	High	04/12/2017	↔
rsk 0014	Open	Regulatory/Legal	Impact of the UK leaving the EU.	Impact on future funding, inward investment, economy, supply chain, leading to lower baseline and economic growth.	4	3	12	High	MA	MA FSG PM KR	MA to ensure there is mitigation in place for Projects in the Programme which rely on current EU funds	4	3	12	High	03/04/2018	↔

Risk Ref	Status	Risk Category	Risk Description		Inherent Impact	Inherent Probability	Inherent Risk Score	Inherent Rank	Owner	Logged by	Controls Action	Resid. Impact	Resid. Probability	Resid. Risk Score	Resid. Rank	Date Checked	Movement in period
			Challenge	Impact													
rsk 0015	Open	Economic	Political uncertainty	Potential lack of confidence by investors and businesses as well as public service uncertainty through diminished commitment to City Deals and potential claw back of funding.	5	4	20	High	MA	PMO KR	CAB approved Glasgow City Region Economic Strategy and Action Plan. There is a requirement to maintain close working with both Governments and to work collaboratively with partners and stakeholders on a regional and sectorial basis.	4	3	12	High	03/04/2018	↔
rsk 0016	Open	Economic	Competition against other cities within EU in attracting investment	International companies may choose to invest in EU countries leading to a smaller number of businesses willing to stay & grow or relocate in GCR.	3	3	9	Medium	MA	PMO KR	The Glasgow City Region Economic strategy and action plan has been developed and agreed by Cabinet. Three portfolio officers have been recruited to deliver the regional economic priorities within the action plan and they are engaging with portfolio leads.	3	3	9	Medium	03/04/2018	↔
rsk 0018	Open	Economic	Changes to project investments	Changes to spend and delivery profiles and anticipated economic benefits	4	3	12	High	MA	PMO-MMcD	Ensure that any changes to infrastructure project investments are justified in terms of economic and strategic value and other projects are delivered on time or accelerated in order to compensate.	3	2	6	Medium	03/04/2018	↔
rsk 0019	Open	Delivery	Underestimation within the Business Cases on scope and finance and deliver what was agreed in the BC.	Impossibility to deliver the project objectives	3	4	12	High	MA	PMO-MMcD	Ensure robust business cases with appropriate level of details are promoted by the MA and robust project analysis carried out by the PMO to ensure good decision making.	1	2	2	Low	03/04/2018	↔
rsk 0020	Open	Delivery	Statutory bodies processes create a delay in project delivery	Potential delays in the programme.	3	2	6	Medium	MA	PMO-MMcD	Early identification and engagement by the Member Authority with statutory bodies listed in the business cases and reported in the MA and PMO Report	2	2	4	Medium	04/12/2017	↔
rsk 0021	Open	Delivery	Shortage of construction material	Potential delays in the programme objectives.	3	2	6	Medium	MA	PMO-MMcD	Robust analysis by the Member Authority of their Project Plans.	2	2	4	Medium	04/12/2017	↔
rsk 0022	Open	Delivery	Bankruptcy or liquidation of an appointed Consultant/Contractor	Potential delays in the programme objectives. Potential monetary loss.	4	3	12	High	MA	PMO-MMcD	Member Authority to carry out robust analysis of shortlisted Consultant/Contractor	3	2	6	Medium	04/12/2017	↔

Risk Ref	Status	Risk Category	Risk Description		Inherent Impact	Inherent Probability	Inherent Risk Score	Inherent Rank	Owner	Logged by	Controls Action	Resid. Impact	Resid. Probability	Resid. Risk Score	Resid. Rank	Date Checked	Movement in period
			Challenge	Impact													
rsk 0023	Open	Reputational	Failure to monitor benefits and outcomes	Project outputs and outcomes are not captured in the evaluation and monitoring by MA or PMO with impact on success at Gateway Review 1.	4	2	8	High	MA	PMO-PK	Quarterly reporting of project outputs and community benefits has commenced and will be contained within the PMO report and shared with the CEG and NEP.	3	2	6	Medium	21/03/2018	↕
rsk 0025	Open	Programme	Lack of communication planning for each project	Lack of a coherent message across Projects	3	3	9	Medium	MA	PMO-CK	Individual member authorities will lead on communication planning for their projects. The Group has agreed a standard template document for formal Communication Plans. Project milestones / activities are shared and discussed at regular Comms Group meetings and recorded in the Key Milestones document.	1	1	1	Low	10/03/2018	↕
rsk 0026	Open	Programme	Lack of collaboration between the 3 City Deal innovation projects.	No coherent voice across the Innovation Programme. Each project left to its own devices with regards to exposure, lessons learnt and comms etc.	3	3	9	Medium	MA	PMO - PK	The City Deal innovation projects will shortly (March '18 onwards) be attending meetings of the Commission to present on their approaches to evaluation. Good practice will be shared among the projects.	2	1	2	Low	21/03/2018	↕
rsk 0027	Open	Programme	Providing an accurate estimation the key variables in the sensitivity analysis for MediCity. The number of opportunities identified and then subsequently the number of businesses that will be formed from the project. Risk taken from 2.5 MediCity BC	If underestimated, impact could be a reliance on public sector funds to maintain project.	4	4	16	High	MA NL	NLCPM O	MediCity/BioCity to ensure that visibility of project encourages growth and investment to ensure that estimated targets are met. Updated monitoring data and targets have been provided by NLC to the PMO.	2	2	4	Medium	21/03/2018	↕
rsk 0028	Open	Objectives and Projects	Failure to properly associate project Business Cases targets against the Programme Business Case.	Difficulty to prepare a Programme Business Case	4	2	8	High	MA	PLG PMO-MMcD	Revised Programme Business case to be prepared in Summer 2018 taking into account business cases, the work of the National Panel and advice from the Commission	4	2	8	High	03/04/2018	↔
rsk 0030	Open	Regulatory / Legal	Management and ownership of the model GCV SITLUM and Productivity Model	Potential inability to use model in the future if required	4	2	8	High	MA	TAG/ PMO-CC	Development of the National and Local Frameworks will determine if modelling is required for evaluation. Transport Portfolio and TAG will determine modelling required for regional transport assessment	3	2	6	Medium	04/12/2017	↔

Risk Ref	Status	Risk Category	Risk Description		Inherent Impact	Inherent Probability	Inherent Risk Score	Inherent Rank	Owner	Logged by	Controls Action	Resid. Impact	Resid. Probability	Resid. Risk Score	Resid. Rank	Date Checked	Movement in period
			Challenge	Impact													
rsk 0031	Open	Objectives and Projects	Transport Strategic Assessment Framework Sub-Group identified a number of the Transport Projects would require to be considered as part of a wider cumulative assessment exercise.	Possible delay to projects with transport elements who would require to assess the impacts of the cumulative modelling.	4	4	16	High	MA	TAG/PMO-CC	The new Sub Regional Transport Model (STRM) is complete (TS @ SPT). The cumulative transport modelling is progressing with consultant Systra - managed by the TAG Group	4	2	8	High	04/12/2017	↔
rsk 0032	Open	Finance	Ensuring Financial Projections are realistic.	Financial Planning is put at risk due to spend levels not being reached.	3	4	12	High	MA	PLG/PMO-PM	Revised Financial baseline was presented to Directors of Finance and CEG June 2017 to facilitate robust financial management. Baseline report presented to FSG and CEG. Baseline figures for 2017/18 reflected in PMO report and used to compare spend. Phasing of expenditure requested for 2017/18 and 5 year projection. Quarterly phasing of spend received from all member authorities and to be reported on. First 5 year spend projections received and reviewed by FSG and require further scrutiny. PMO staff met with member authorities and requested and received prudent first 5 year spend projections. Figures reviewed by Finance Managers, Project Managers, S95 Officers and PMO staff. Submitted report to FSG and CEG on review findings and first 5 year projected spend. Report agreed by both groups and figures now provided to SQW on first 5 year spend projections including a risk adjustment.	3	4	12	High	10/01/2018	↔
rsk 0033	New	Finance	<i>Implementation of green book methodology resulting in a negative decision for business cases previously approved under consultancy guidance.</i>	<i>Loss of grant, further work on business cases, requirement to re-assess and approve existing projects.</i>	5	2	10	High	PMO/MA	PMO-PM	Regular meetings with Scottish Government, review of projects to ensure compliance by internal and external parties. Approval by Chief Executives to implement Green Book methodology. Review is being undertaken of business cases	N/A	N/A	N/A	N/A	03/04/2018	↔

Risk Ref	Status	Risk Category	Risk Description		Inherent Impact	Inherent Probability	Inherent Risk Score	Inherent Rank	Owner	Logged by	Controls Action	Resid. Impact	Resid. Probability	Resid. Risk Score	Resid. Rank	Date Checked	Movement in period	
			Challenge	Impact														
											previously approved. Following procurement exercise a consultant has been appointed to carry out review of projects approved and identify any project business cases which did not follow green book methodology.							
rsk 0034	New	Objectives and Projects	Difficulties in establishing the connections between Employment and Skills Projects and Infrastructure Projects to enable programme beneficiaries have the opportunity to realise community benefit opportunities arising from City Deal Infrastructure projects.	City Deal fails to meet gateway criteria with regards to Community Benefit and labour market	3	3	9	Medium	PMO/M A	PMO-AJS	PMO to facilitate the establishment and maintenance of two way connections between Skills and Employment Projects and Community Benefit opportunities arising from City Deal Infrastructure Project contracts. The first meeting of the LPSG sub group, the Community Benefit Working Group, has taken place that has been set up to address the recommendations set out within the Contracts and Community Benefit report that went to CEG on 30th Nov 17.	3	3	9	Medium	21/02/2018	↔	
CLOSED RISKS THIS PERIOD																		
	No risks closed this period											4	2	8	High	04/12/2017	closed as duplication of risk	

APPENDIX 2: PROGRAMME ISSUES LOG

CITY DEAL PROGRAMME ISSUE LOG	
Programme Title:	City Deal
Programme Director	Kevin Rush
Date updated:	03/04/2018

Issue Ref:	Date Raised	Project Issue Type	Owner	Logged by	Issue Title	Issue Description	Impact	Action	Stakeholders	Target / Timescale	Priority	Status	Date of Update	Date Closed
is_0001	24/09/2015	Innovation	MA	PMO-PK	ICE - Benefits Realisation	ICE's benefits realisation plan has not been finalised and signed off by ICE	PMO will be unable to monitor and evaluate the project benefits	ICE is finalising their project benefits realisation plan. This will be provided to the PMO for consideration and subsequently shared with BEIS. ICE are working with the Commission to develop the relevant metrics and evaluation methods for the project. The finalised plan was agreed by the ICE Escalation Board on 16/2/18	PMO, ICE, Medical Research Unit, Glasgow University and BEIS	Feb-18	Medium	Closed	10/01/2018	16/03/2018
is_0002	24/09/2015	Innovation	MA	PMO-PK	ICE - Community Benefits	PMO awaiting information regarding community benefits during the construction phase	No contribution to programme community objectives	Details of the ICE community benefits will be included in the project's benefits realisation plan.	PMO, ICE, Medical Research Unit, Glasgow University and BEIS	Sep-17	Medium	Open	14/11/2017	
is_0003	03/02/2016	Recruitment	MA	PMO-MMcD	PMO recruitment	Lack of resources to deliver the role of the PMO	unable to deliver the role of the PMO as detailed in the Assurance Framework	Kevin Rush Director of PMO was appointed August 2017 and will review the structure of the PMO	PMO MA	Autumn 2017	High	Open	12/09/2017	
is_0004	19/04/2016	Governance	MA	PMO-MMcD	Regeneration and Economy Consultative Group	Regeneration and Economy Consultative Group is included within the Assurance Framework. The CEG need to agree the role and remit.	A gap in the governance and a missed opportunity to bring key stakeholders together to improve coherence of the city deal with broader activities in the region	CEG requires to review this group in context of the Skills and Enterprise review in relation to regional partnerships while updating the Assurance Framework	CEG/PMO	Autumn 2017	High	Open	12/09/2017	
is_0005	11/05/2016	Governance	MA	PMO-MMcD	Assurance Framework Review	MA not complying with the Assurance Framework and Business Case Guidance approved by the SG and UKG.	Grant Infrastructure is dependent on adherence to the version of the Assurance Framework signed off by the SG and UK Cabinet March 2015	CEG 2 August instructed the MA's to prepare their business cases and the PMO to review in compliance with HM Treasury Green Book Guidance	MA / PMO / UK govt / Sgovt	Autumn 2017	High	Open	12/09/2017	
is_0006	19/10/2016	Skills & Employment	MA	PMO-PK	Working Matters Underperformance	Working Matters project underperforming against targets due to low client referrals by the DWP.	The project is unable to meet targets and underspend.	Recovery Plan in place March '17. Two change controls approved to reprofile project targets and extend operational period.	PMO/MAs/DWP/	Nov-17	High	Open	21/02/2018	
is_0007	19/05/2017	Finance	MA	PMO-MMcD	Financial Projections to be updated and reviewed inc risk and analysis to original projections	Inaccurate projections impact on robust financial management	reduces robust financial management	Revised projections submitted to CEG June 2017. 17/18 Projections have been provided by MA's in Aug 17. Updated 5 year projections will be issued to the PMO in September 17. 5 year projections reviewed by FSG and require further review. 5 year projections agreed with Member authorities. Report submitted and agreed by FSG and CEG on 5 year projections, risks and reasons for movement from original projections. 5 year projections submitted to SQW including a risk adjustment.	CEG / PMO / MA / Sgovt	Autumn 2017	High	Open	12/09/2017	

Issue Ref:	Date Raised	Project Issue Type	Owner	Logged by	Issue Title	Issue Description	Impact	Action	Stakeholders	Target / Timescale	Priority	Status	Date of Update	Date Closed
is_0008	19/05/2017	Finance	MA	PMO-MMcD	Grant Infrastructure Letter 2017/18	Grant 17/18 to be paid in quarters and in arrears: this creates a need to confirm arrangements timeously to allow payment in accordance with conditions noted	may effect Programme income and MA income	Copy of letter received by PMO in June 2017 for comment. Comments on grant letter returned to SG and meeting arranged for 24/7/17. Further comments are ongoing and anticipate conclusion by September 2017. Further meeting with Scottish Government in September 2017. Grant offer letter received in December 2017. Sent out to grant offer letter to member authorities for agreement and thereafter arrange pasdown letters. Grant requirements include performance report, benefits realisation plan and implementation plan which have still to be completed.	PMO / MA / Sgovt	Aug-17	High	Open	12/09/2017	
is_0009	19/05/2017	Governance	MA	PMO-MMcD	Establishment and Operation of the Economic Leadership Board	The ELB Board has been established in October 2016 but need to engage effectively	Additional opportunity to engage with the private sector not achieved	The membership of the Economic Leadership Board was presented and agreed at Oct 16 CAB. Chair of the ELB gave an update to Oct 17 Cabinet. Cabinet agreed to formally request the ELB assist the Cabinet by providing a set of criteria with which to evaluate projects; and to advise how it intended to be proactive in seeking sources of private investment.	CAB / CEG	Dec-17	Medium	Open	16/10/2017	
is_0010	19/05/2017	Governance	MA	PMO-MMcD	Programme Business Case requires to be updated	PMO to update the Programme Business Case on annual basis in line with the Assurance Framework	Project Business Cases are not set within the wider economic context of the Programme	Programme Business case to be revised in Summer 2018	PMO / UK Scot govts	Oct-17	High	Open	12/09/2017	
is_0011	17/08/2017	Governance	MA	PMO-PK	National Panel Call-Off Agreement	Greater Manchester Combined Authority (GMCA) has signed an agreement with SQW to develop the evaluation for GR1 on behalf of the 11 participating localities. The GCR PMO has not yet received the call-off agreement from GMCA relating to the first phase of work to be carried out by SQW.	No payment can be made for the development of the GR1 evaluation until a contract is agreed between GCR and GMCA.	Cab in Oct 17 agreed to funding agreement with GMCA to cover costs of phase 1 work by SQW. CEG (1/11) signed-off the draft finding agreement that will be put in place once the Local Evaluation Plan has been provided. As of 10/01/18, GMCA have assured the PMO that the agreement has been issued and is in the	PMO / CEG / TfGM	Jan-18	Low	Open	10/01/2018	
is_0012	13/11/2017	Professional	MA	PMO - AJS/KH	Business Case Review Assessment	Member Authorities not respecting submissions' deadlines	Tight timescales for turnaround of Business Case review meetings. Difficulty in recruiting reviewers and set up teams for Business Cases Assessment.	Business Cases submitted after deadline not accepted for review within the cycle. Establishing a Business Case Reviewers Pool of named individuals with the specialist skills required. MAs to forecast more accurately Business Case Submission dates so Review Teams has plenty of notice to carry out assessment.	PMO/MAs/CEG	Dec-17	High	Open	13/11/2017	

Issue Ref:	Date Raised	Project Issue Type	Owner	Logged by	Issue Title	Issue Description	Impact	Action	Stakeholders	Target / Timescale	Priority	Status	Date of Update	Date Closed
is_0013	14/11/2017	Professional	MA	PMO - CC	Business Case Review Assessment	Member Authorities submitting incomplete Business Cases	Incomplete Business Cases causes to have more than one review per Business Case which causes ineffectiveness and time-wasting. This also triggers frustration amongst the Reviewers (especially external Reviewers) to go over the same Business Case over and over again.	Business Cases submitted in incomplete form should not be accepted for review and assessed within the cycle.	PMO MA					
is_0014	14/11/2017	Professional	MA	PMO - CC	Business Case Review Assessment	Member Authorities submitting fragmented Business Cases report referring to a various other documents	Fragmented submission comprising of a small main report and many attachments increases the chance of incorrect references to attachments. This is very inefficient and time consuming for Reviewers	Each Business Cases (for each of the 3 distinctive stages SBC, OBC and FBC) must be a standalone document. Appendices can be attached only if properly referenced within the main documents and references are correct.	PMO MA					
is_0015	14/11/2017	Professional	MA	PMO - CC	Business Case Review Assessment	Difficulty in recruitment of Business Case Reviewers from Memebbers Authorities	Assessment meetings cancelled/rescheduled at short notice. Possible impact on overall quality of Business case review and feedback provided.	Establishing a pool of Reviewers in various disciplines on which the PMO can rely on their support	PMO MA					
is_0015	14/11/2017	Professional	MA	PMO - CC	Business Case Review Assessment	Submission of a disproportionate number of Business Cases for cycle	Business Cases Assessment process too onerous due to lack of resources in the Programme Management team and difficulties in recruiting a high number of Reviewers with impact on overall quality of Business case review and feedback provided.	Limiting the number of Business Cases submitted by MAs for each cycle. PMO to work together with MA to establish the number of accepted Business Cases well in advance (depending on the time and resources available for reviewing). MA to commit to agreed dates.	PMO MA					
is_0015	14/11/2017	Professional	MA	PMO - CC	Governance	Preparation of Papers and performance of application of Governance is compromised by an unresorsed PMO	Business Cases Assessment meetings cancelled/rescheduled at short notice. Delay on preparation of Papers with impact on overall quality of PMO reports, Business case review and feedback provided. Delay in managing and analysing the Programme data	Recruit another Programme Manager for the PMO team and establishing a pool of Reviewers in various disciplines on which the PMO can rely on their support	PMO MA					
is_0016	21/02/2018	Skills & Employment	MA	PMO - AJS	No end of Project Report or Evaluation of project.	No exit strategy or evaluation planned or in progress for Youth Gateway Project.	Failure to meet continuing needs of beneficiaries and / or to learn lessons for future programme.	Member Authorities continue to offer employability pipeline services outwith YG programme minimising risk. Renfrewshire lead with support from the SEWG to undertake exit review and write up of lessons learned to inform future RES Programmes.	PMO MA	Jun-18	Medium	Open		

C.2 APPENDIX 3 QUARTERLY REPORTING

City Deal Contracts Programme Summary to Q3 17/18 31st Dec 2017			
App A - City Deal Contract Indicators	Under £50,000	Over £50,000	Total
Value of Contracts Awarded to Date	£2,827,802	£112,517,288	£115,345,090
Number of Contracts Awarded to Date	143	86	229
Number of Contracts Awarded with Contractual Community Benefit	13	54	67
Number of Contracts Awarded with Voluntary Community Benefit	14	3	17

App A- Tier 1 Supplier Development Indicators	Number	Value	% of Total Number
Contracts Awarded to Local Company	134	£23,255,524	59%
Contracts Awarded to an SME	86	£38,329,970	38%
Contracts Awarded to a Local SME	56	£11,490,336	24%

App B - Glasgow City Region Community Benefit Outputs	Number Benefits Secured within Period	Total Number of Benefits Secured	Total Number of Benefits Realised to Date
TRE - All Targeted Recruitment and Employment Total	0	79	50
TRE01 - New Entrants – City Deal priority Groups	0	10	8
TRE02 - New Entrants – No relevant experience	0	28	12
TRE03 - New Entrant - Graduate	0	10	4
TRE04 - New Start - Apprentice	0	21	18
TRE05 - Completed - Apprentice	0	10	8
Total Targeted Skills & Training Total	39	250	106
TST01 - Work Experience Placement (16 + years of age)	6	45	25
TST02 - Work Experience Placement (14 - 16 +years of age)	4	46	10
TST03 - Work Experience Placement - Graduate	9	35	4
TST04 - Careers Event	5	53	31
TST05 - Site Visit	11	47	23
TST06 - School Mentoring or Enterprise Programme	4	24	13
VTQ - Vocational Training Qualification Total	1	47	22
VTQ01 - S/NVQ (Or equivalent) for Apprentices	0	0	0
VTQ02 - S/NVQ (Or equivalent) for New Entrants	0	5	1
VTQ03 - S/NVQ (Or equivalent) for Graduates	0	0	0
VTQ04 - S/NVQ (Or equivalent) for Existing Employees	1	10	3
VTQ05 - Contractor/Sub Contractor/Specialist Training Qualifications	32	32	18
SCD - Supply Chain Development Total	2	41	19
SCD01 - Supply Chain Briefing with SME's	2	24	13
SCD02 - Business Mentoring for a SME's	0	17	6
CCE - Community Engagement Total	6	45	19
CCE01 - Financial Support for a Community Project	0	8	4
CCE02 - Non-Financial Support for a Community Project	6	37	15
VCB - Voluntary Community Benefit Total	0	35	0
VCB1 - Voluntary Community Benefit	0	35	0

C.3 APPENDIX 4 EKOS BUSINESS CASE APPRAISAL TABLE

Business case Section	Sub-Section	Business case requirements – appraisal questions	Location of Information within the Business Case (page/paragraph number)
1. Strategic case	Strategic Need	Has the problem, and the need that will be met by the project, been clearly described, quantified (where relevant) and evidenced? Does this first section in the S/O/F BC give enough information and evidence to establish the strategic need for intervention?	
		<i>Comment:</i>	
		Does the upfront section in the S/O/F BC identify the total project costs – specifically showing total CD/ MA costs (86/14%) and how much of this is needed to develop the project to the next O/F BC stage?	
		<i>Comment:</i>	
		Is there a clear description of the market failure(s), including how the project will address the root cause rather than the symptoms of the MF?	
		<i>Comment:</i>	
		Has the rationale for the intervention/for new investment by the public sector been clearly articulated?	
		<i>Comment:</i>	
		Based on strategic need, has the case for why the project is <u>needed now</u> been provided?	
		<i>Comment:</i>	
	Strategic And Policy Context For The Project and Contribution to the City Deal	How has the fit with UK, Scottish, Regional and Local policy been demonstrated? Does this describe how the project contributes to the policy aims rather than simply list the policy objectives? Are all relevant policy/ strategy docs covered relating to the identified needs (S1.1) and the project interventions (S1.5)	
		<i>Comment:</i>	
		How has the fit with the strategic objectives of the City Deal Programme been demonstrated e.g. will the project support the development of key growth centres, strategic employment sites, creation or maintenance of economically important routes? Does this describe how the project contributes to CD Programme aims?	
		<i>Comment:</i>	
	Project Objectives	Has a clear description of the project and its objectives been provided?	
		<i>Comment:</i>	
		Have SMART objectives been provided (Specific, Measurable, Assignable, Realistic, Time-related)? Are these clearly presented in tabular form for each objective?	
	Existing Arrangements	Have existing arrangements including those which currently deliver comparable outputs been outlined? Does this relate to the objectives listed at Section 1.3.2?	

Business case Section	Sub-Section	Business case requirements – appraisal questions	Location of Information within the Business Case (page/paragraph number)
		<i>Comment:</i>	
	Project Summary	Has a clear description of what the project will deliver been provided? Does this include description of what City Deal funding will be spent on and what is expected of others?	
		<i>Comment:</i>	
		Has a clear explanation of how the project differs to any current interventions/existing arrangements (as defined at Q1.4.1) been provided?	
		<i>Comment:</i>	
		Has a clear description of how the project will be implemented including what the money will be spent on, been provided?	
		<i>Comment:</i>	
		Has a clear case been made for how the project addresses all the areas of need as described at S1.1.1?	
		<i>Comment:</i>	
		Has a clear description of what constitutes success been provided? Does this include Critical Success Factors against which options can be appraised?	
		<i>Comment:</i>	
	Dependencies and Constraints	Has any evidence demonstrating the success from similar projects been provided (including monitoring and evaluation evidence, lessons learned or pilots) and how have these lessons been incorporated into the project? If not, why not?	
		<i>Comment:</i>	
		Have all relevant internal factors on which the successful delivery of this project are dependant been identified? How will they be managed?	
		<i>Comment:</i>	
		Have all relevant external factors on which the successful delivery of this project are dependant been identified? How will they be managed?	
	Stakeholders	<i>Comment:</i>	
		Have all relevant factors that place demands on the project (constraints) been identified? How will they be managed?	
		<i>Comment:</i>	
		Have the main stakeholder groups and their contribution or interest in the project been identified?	
	Risk	<i>Comment:</i>	
		Is there a description of whether the project will create benefits/ dis-benefits for stakeholders, and how?	
		<i>Comment:</i>	
		Have conflicts between stakeholder groups and their demands been identified? How will they be managed?	
		<i>Comment:</i>	
		Is there robust analysis of the potential risks that might arise? How were the risks identified and appraised?	

Business case Section	Sub-Section	Business case requirements – appraisal questions	Location of Information within the Business Case (page/paragraph number)
		<p><i>Comment:</i></p> <p>Has a detailed risk management plan been developed for all elements of risk – is it robust and up-to-date? Has it been developed in line with the Assurance Framework and is a copy appended?</p> <p><i>Comment:</i></p> <p>Have relevant <u>internal risks</u> been identified in risk register? Are the key internal risks summarised in the S/O/F BC?</p> <p><i>Comment:</i></p> <p>Have relevant <u>external risks</u> been identified in risk register? Are the key external risks summarised in the S/O/F BC?</p> <p><i>Comment:</i></p> <p>Have all risks been included, appraised and scored on the project risk register with appropriate mitigating actions? Financial/ economic/ legal/ reputational/ planning/ etc</p> <p><i>Comment:</i></p> <p>Does the project create any new risks, or increase risks, for the City Deal Programme? If so, have these been identified, fully appraised with mitigating actions, and incorporated into the Risk Register?</p> <p><i>Comment:</i></p>	
2. Economic Case	List of options	<p>Is there a reasonable range of options covering what/ when/ who/ how/ where? Has there been any change since S/O BC? Is there a long-list and clear rationale for selection to a short-list for detailed appraisal?</p> <p><i>Comment:</i></p> <p>How were the short-listed options selected and appraised? Who was involved, what was the process?</p> <p><i>Comment:</i></p> <p>Did options definition include analysis of potential alternatives around scope, procurement, service delivery, implementation and funding?</p> <p><i>Comment:</i></p> <p>Have the alternative options been costed – capital and revenue for direct public costs, and capital for direct follow-on investment?</p> <p>[Note: for projects that are claiming benefits (S2.3) arising from follow-on investments, the cost attributed to these activities must be provided]</p> <p><i>Comment:</i></p>	
	Additionality	<p>Have deadweight, displacement, leakage and substitution effects been identified at the Member Authority, City Region and Scotland levels for each of the short-listed options? Have the assumptions for the values used been presented – are these realistic?</p> <p><i>Comment:</i></p> <p>Does the analysis of additionality present a robust case on the need for public sector intervention? Has consideration been given to the amount of activity/ outcomes that would happen without the project – does this link with Section 1.1.5?</p> <p><i>Comment:</i></p>	

Business case Section	Sub-Section	Business case requirements – appraisal questions	Location of Information within the Business Case (page/paragraph number)	
	Benefits	<p>Have gross and net benefits for each of the short-listed options been identified and quantified at the Member Authority, City Region and Scotland level? What dis-benefits will arise, and can these been mitigated? [Note: Gross benefits are defined as those arising from both direct City Deal and direct follow-on investments – see 2.3.8. Net benefits are the out-turn of these direct benefits, taking account of the additionality assessment at 2.2]</p> <p><i>Comment:</i></p>		
		<p>Have the wider qualitative benefits and dis-benefits arising from each option been listed and clearly described? Does this include all relevant items?</p> <p><i>Comment:</i></p>		
		<p>How have qualitative benefits been assessed e.g. using a weighting and scoring approach?</p> <p><i>Comment:</i></p>		
		<p>Has the timescale for the realisation of benefits/ dis-benefits been provided?</p> <p><i>Comment:</i></p>		
		<p>Does the text clearly describe the assumptions used in calculating benefits/ dis-benefits?</p> <p><i>Comment:</i></p>		
		<p>Are there any distributional/ equity factors for benefits that will impact on selection of the preferred option? Are these critical in the decision on preferred option?</p> <p><i>Comment:</i></p>		
		<p>Have clear measurement, monitoring and evaluation plans been identified to track the delivery of each stated benefit? Is this taken forward to Section 5.7?</p> <p><i>Comment:</i></p>		
		<p>Is there clarity on which benefits will be generated as a direct result of City Deal project investment, and those that are generated as a direct result of subsequent action by others e.g. follow-on private or public sector investment?</p> <p><i>Comment:</i></p>		
		<p>Are all costs (specifically capital and revenue costs) and benefits quantified¹ and if not has this been justified? Are these presented as gross and net costs/ benefits over the time period that they will arise and also as discounted totals?</p> <p><i>Comment:</i></p>		
		<p>Is there a robust and consistent approach to appraising Cost-Benefit outcome – using net results with NPV calculated correctly (including discounting at 3.5%) – for each option?</p> <p><i>Comment:</i></p>		
		Cost/Benefit Analysis		

¹ Including: correct discount rate; figures in real terms/constant prices at base year, sunk costs excluded; opportunity costs of already-owned assets included; residual values included; double counting avoided; transfer costs / benefits excluded; uses only economic resource costs (payment good/service); Financing items/sources excluded; second round effects included (e.g. only genuine job creation); Tax/subsidy treatment must be non-distorting between options.

Business case Section	Sub-Section	Business case requirements – appraisal questions	Location of Information within the Business Case (page/paragraph number)
		<p>Has Value for Money (VfM) been appropriately presented using (as a minimum) the following ratios:</p> <ul style="list-style-type: none"> - NPV of: net economic benefits divided by the total economic costs (public and private) - NPV of: net economic benefits divided by the total public costs – capital and revenue <p>Note: for some projects it will be appropriate to present VfM for public and private costs as two results – including and excluding commercial development costs e.g. business space and residential construction should be included but if no allowance is taken of the income generated from them, they will skew the results.</p> <p><i>Comment:</i></p>	
	Options appraisal	<p>Have all potential options been compared using a SWOT (or STAG, or other robust approach) analysis? Is this consistent for each option, and robust?</p> <p><i>Comment:</i></p> <p>Does the analysis include clear scoring of options – quantifiable/ qualitative benefits, contribution to objectives, CSFs, key risks, impacts, etc? Does this include valuation of the net benefits and costs associated with each option?</p> <p><i>Comment:</i></p> <p>How has ruling out of options been justified – is this clear and robust?</p> <p><i>Comment:</i></p>	
	Preferred option	<p>Has evidence been provided demonstrating that the preferred option achieves all project objectives?</p> <p><i>Comment:</i></p> <p>What evidence has been provided demonstrating that the preferred option provides the best Value for Money? If not, do un-quantified and/ or distributional benefits (as presented at Section 2.3.2 and 2.3.6) justify the higher cost and/ or lower benefits?</p> <p><i>Comment:</i></p>	
	Sensitivity and risk profile	<p>Has appropriate sensitivity analysis been completed, including worst case scenario? Is there a clear rationale for the upper/ lower range used for sensitivity, or if arbitrary values have been used is this justified?</p> <p><i>Comment:</i></p> <p>Has the MA given appropriate consideration to the need for switching values analysis where projects carry high risk of not achieving stated benefits (i.e. assumptions behind the economic appraisal are not robust or carry high level of risk), high optimism bias rate needed for cost, and/ or where the Benefit to Cost Ratio (BCR) is close to 1:1? [Note: Switching Values relates to increase in PV of costs / decrease in PV of benefits to produce a BCR of below 1]</p> <p><i>Comment:</i></p> <p>Linked to results at Section 1.6 and 1.8, have all economic risks, constraints and dependencies been identified, managed and allocated in the risk register, and are the key economic risks listed in S/O/F BC, with mitigating actions?</p> <p><i>Comment:</i></p>	

Business case Section	Sub-Section	Business case requirements – appraisal questions	Location of Information within the Business Case (page/paragraph number)
		Is there a clear description of, and allowance taken for, optimism bias (for costs and benefits) and has it been aligned with the overall risk of the project? How have optimism bias factors been calculated, and has this changed since S/O BC as more detail on the project is known? Is further change expected at O/F BC?	
		<i>Comment:</i>	
		Are all relevant wider positive and negative impacts presented and assessed e.g. sustainability, competition, regulatory impact?	
		<i>Comment:</i>	
		On completion of sensitivity analysis, is there final confirmation that the preferred option remains preferred, and all relevant risks and sensitivities are understood and clearly articulated?	
		<i>Comment:</i>	
		Note: the preferred option, as presented in the summary of the economic case should be taken forward into the rest of S/O/F BC – Commercial/ Financial/ Management Cases – with results tested rigorously and compared against the counterfactual where appropriate.	
3. Commercial Case	Commercial Aspects	How does the preferred option address the needs of all parties and project partners – the Member Authority, the City Deal, other direct funders, and wider project partners (including those that are expected to deliver activity or outcomes as a result of City Deal investment)?	
		<i>Comment:</i>	
		Have funding options been outlined and fully considered for the preferred option? Have appropriate alternative funding sources been explored and included/ discounted, if not why not?	
		<i>Comment:</i>	
		If appropriate, have alternative arrangements been identified where any required follow-on private/ public sector funding does not occur at the required time? Is there a description of the extent to which the project benefits/ outcomes (as described at Section 2.3.8) are dependent on this private sector investment?	
		<i>Comment:</i>	
		What is the commercial demand for the outputs generated by the project e.g. if CD investment is for infrastructure that will release/ improve land for development, what is the evidence of demand for this land? [Note: for most CD projects the demand is likely to come from the follow-on investment rather than from the direct CD funded activities – should be aligned with the impacts that are considered at Q2.3.1 and Q2.3.8]	
		<i>Comment:</i>	
	Procurement Strategy	Where payments are to be made to external parties (including consultants/ contractors/ developers), what are the planned payment processes, and are they clearly described?	
		<i>Comment:</i>	
What is the procurement strategy, has it been clearly articulated in the S/O/F BC and is the procurement process in line with relevant regulations? Does this section clearly describe what will be procured, by who, when, and how? <i>Comment:</i> What is the justification for the proposed procurement approach?			

Business case Section	Sub-Section	Business case requirements – appraisal questions	Location of Information within the Business Case (page/paragraph number)
		<i>Comment:</i>	
		Has the body (or bodies) which will manage and deliver the project been clearly identified? If this is not the member authority, how will the MA retain control of contract finance, quality, timescales, etc?	
		<i>Comment:</i>	
		What is the evidence demonstrating that the delivery body, and the key staff within that body, have the relevant skills and capacity for project procurement?	
		<i>Comment:</i>	
		What evidence has been provided demonstrating that the delivery body is the most effective body to deliver the project?	
		<i>Comment:</i>	
		Relevant to the level of investment being made, how robust are the proposed contracting arrangements?	
		<i>Comment:</i>	
		If the project involves grant to a third party, how will the MA ensure that the project delivers outcomes on time, at scale, to quality, etc?	
		<i>Comment:</i>	
		Have clear contractual key milestones and delivery dates been provided?	
		<i>Comment:</i>	
		Linked to the results at Section 1.8, have all commercial risks been identified, managed and allocated in the risk register, and are all the key commercial risks listed here, with mitigating actions?	
		<i>Comment:</i>	
4. Financial Case	Financial appraisal	Is there a clear description of project costs (split by individual element, including work to complete the project to O/F BC) and project funders – phased over the delivery timescale? Does this clearly identify the direct City Deal costs (split 86% / 14%), other direct public sector costs and direct follow-on investment needed to achieve the benefits presented at Q2.3?	
		<i>Comment:</i>	
		Will all project benefits be achieved with the project costs listed at Section 4.1.1, or is there a need for additional follow-on investment at a later date to deliver the benefits (e.g. property development)?	
		<i>Comment:</i>	
		Has evidence been provided demonstrating that full budget funding has been secured and budgeted for by all parties – the Member Authority, other direct project funders, other follow-on investment? Does this clearly show the 86% / 14% split in direct costs?	
		<i>Comment:</i>	
		Have appropriate benefit and monitoring evaluation costs been described and quantified, covering the full City Deal period to 2035?	
		<i>Comment:</i>	

Business case Section	Sub-Section	Business case requirements – appraisal questions	Location of Information within the Business Case (page/paragraph number)
		Have the impacts on Member Authority income/expenditure a/c and on balance sheet been provided if applicable? Does this specifically include ongoing revenue costs to MA or other public sector organisation?	
		<i>Comment:</i>	
		How have potential cost over runs been considered and provided for? Have these been appropriately tested in the Sensitivity Appraisal, and included in the Risk Register?	
		<i>Comment:</i>	
		How will VAT will be treated? Is there a description in S/O/F BC of applicable VAT risks, and if so are they included in the Risk Register?	
		<i>Comment:</i>	
		Have any guarantees been provided, or financial agreements made? Does this cover direct project funding or follow-on investment? Are these guarantees from the Member Authority to third party, or vice-versa? How substantial are these agreements, and to what extent is the project's success dependent on these guarantees?	
		<i>Comment:</i>	
5. The Management Case	Project roles	Have project roles and responsibilities been clearly stated? Is it clearly demonstrated that the team members have appropriate skills and experience to manage, deliver and oversee the project?	
		<i>Comment:</i>	
	Project governance Structures	Have project roles and responsibilities been clearly stated in relation to approval processes within the Member Authority? Linked to financial and procurement topics, does the analysis include relevant consideration of governance upwards (to PMO and Governments) and also downward below MA to project delivery?	
		<i>Comment:</i>	
		Have robust project management arrangements been clearly stated in relation to the operational delivery and future management of the completed project within the Member Authority?	
		<i>Comment:</i>	
		If the project involves creation of a new asset, is there a description of how governance be transferred to operational use?	
		<i>Comment:</i>	
		Who will manage the delivery and monitoring/ evaluation of project benefits (including community benefits)?	
		<i>Comment:</i>	

Business case Section	Sub-Section	Business case requirements – appraisal questions	Location of Information within the Business Case (page/paragraph number)
	Community Benefits	Have community benefits through procurement been identified? How will they be procured and delivered, and over what timescale? How will benefits be monitored over the long-term? Who will be responsible for achieving target benefits?	
		<i>Comment:</i>	
	Other Legal matters	Have other legal matters been clearly considered as appropriate, including: <ul style="list-style-type: none"> • State Aid – does this include impact on third parties at the Programme level? • Compulsory Purchase Orders (CPOs) • LA powers / Government powers STAG / TAUS / Planning / Crown • Land Ownership • Environmental Impacts • Equality Impacts as per the Equality Act 2010 	
		<i>Comment:</i>	
	Project schedule	Has a detailed project schedule been provided, showing key dates for start/ completion of each task and covering all project elements?	
		<i>Comment:</i>	
		Are there clear delivery dates and detailed milestones for the overall project, and any sub-elements?	
		<i>Comment:</i>	
	Sustainability case	Does the sustainability case assess whether proposals are sustainable and do they contribute to the wider sustainability agenda?	
		<i>Comment:</i>	
		Does the S/O/F BC present robust consideration of sustainability from perspectives of – environmental, financial, economic, social factors?	
		<i>Comment:</i>	
		Is there a project- or site-specific Environmental Impact Appraisal – is it recent and robust? If no EIA (or it is dated) what is the justification?	
	Project Monitoring	How will be the project be monitored and evaluated? What are the project monitoring arrangements and have they been clearly set out in the S/O/F BC (who, when, how and costs)?	
		<i>Comment:</i>	
Is the M&E Plan in line with the Assurance Framework, is it fully costed, and is it appended?			
<i>Comment:</i>			
Do proposals for monitoring covering the full period of benefits realisation, or to Programme completion in 2035?			
<i>Comment:</i>			

Business case Section	Sub-Section	Business case requirements – appraisal questions	Location of Information within the Business Case (page/paragraph number)
		Who is responsible for project monitoring and evaluation after the physical project works are complete? Is the cost of future M&E presented, and is it robust?	
		<i>Comment:</i>	