

**GLASGOW CITY REGION CABINET.**

Minutes of meeting held on 11th October 2017 at the City Chambers, Glasgow.

**Present:** Councillor Susan Aitken (Chair), Glasgow City Council; Councillor Gillian Renwick, East Dunbartonshire Council; Councillor Paul O’Kane, East Renfrewshire Council; Councillor Jim Clocherty, Inverclyde Council; Councillor Michael McPake, North Lanarkshire Council; Councillor Iain Nicolson, Renfrewshire Council; Councillor John Ross, South Lanarkshire Council; and Councillor Jonathan McColl, West Dunbartonshire Council.

**Apologies:** Councillor Gordan Low, East Dunbartonshire Council; Councillor Tony Buchanan, East Renfrewshire Council; Councillor Stephen McCabe, Inverclyde Council; and Councillors Jim Logue and Paul Kelly, North Lanarkshire Council.

**Attending:** N Lyttle (Clerk); A O’Donnell and R Brown, Glasgow City Council; G Cornes, East Dunbartonshire Council; I McLean, East Renfrewshire Council; A Fawcett and S Jamieson, Inverclyde Council; P Jukes, North Lanarkshire Council; L Freeland, South Lanarkshire Council; A Russell, Renfrewshire Council; J White, West Dunbartonshire Council; K Rush, Director of Regional Economic Growth; Lord Haughey and Stuart Patrick, Glasgow City Region Economic Leadership Board; and D McNulty, Commission on Economic Growth.

**Minutes of previous meeting approved.**

**1** There was submitted and approved the minutes of 15th August 2017.

**Glasgow City Region Cabinet – Guidance on Members’ Register of Interests noted.**

**2** With reference to the minutes of 15th August 2017 agreeing that a report be submitted to this meeting providing guidance on the nature of members’ interests that should be declared, there was submitted and noted a report by the Chief Executive, Glasgow City Council detailing the guidance to be followed.

**Glasgow City Region Economic Leadership Board – Update noted etc.**

**3** The Cabinet heard a verbal update by Lord Haughey, Chair of the Glasgow City Region Economic Leadership Board (ELB) on the work currently being undertaken by the Board, during which he highlighted:-

- (1) the remit of the Board and the current membership, which encompassed a variety of skills and expertise from all sectors of business across the Glasgow City Region;

- (2) that following a number of changes to the Cabinet after the Local Government Elections held in May 2017, he would formally extend an invitation to all current Member Authority Council Leaders and Chief Executives to meet with him individually;
- (3) that Kevin Rush, Director of Regional Economic Growth would be invited to attend future ELB meetings; and
- (4) that the work of the ELB would start to gather momentum in the New Year in order to begin to unlock the £3.4billion of private sector investment related to the City Deal.

After consideration, the Cabinet thanked Lord Haughey for the update and agreed to formally request the ELB

- (a) to assist the Cabinet by providing a set of criteria with which to evaluate projects; and
- (b) to advise how it intended to be proactive in seeking sources of private investment.

#### **Programme update noted etc.**

**4** There was submitted a report by the Director of Regional Economic Growth providing an update on various key programme development tasks and issues for the period to 18th August 2017, advising

- (1) of progress in relation to the Infrastructure, Innovation and Skills and Employment programmes, all as detailed in the report;
- (2) of a request by North Lanarkshire Council for additional funding to assist in development of the previously approved Strategic Business Case for the Pan Lanarkshire Orbital Transport Corridor project; and
- (3) of other activity carried out by the Programme Management Office, which included details on the National Panel, Communications and Marketing, Assurance Framework Review, Contracts Register and Regional Economy Team, all as detailed in the report.

After consideration, the Cabinet

- (a) noted the report; and
- (b) approved the allocation of additional infrastructure funding of £3.5m to North Lanarkshire Council to support the development and feasibility of the previously approved Pan Lanarkshire Orbital Transport Corridor Strategic Business Case.

## **Glasgow City Region City Deal Monitoring and Evaluation – Gateway Review 1 – Position agreed etc.**

**5** There was submitted a report by the Director of Regional Economic Growth seeking agreement to the approaches to evaluation set out in the National Evaluation Framework (NEF) and draft Local Evaluation Framework (LEF), and seeking approval to pay for the work undertaken for Phase 1 work of the National Panel ahead of Gateway Review 1 in 2019, advising

- (1) of the development of the NEF, which set out the broad principles that would underpin the approach to evaluation at Gateway Review 1, and which was outlined in appendix 1 of the report;
- (2) of the scope of Gateway Review 1, together with the LEF which was outlined in appendix 2 of the report;
- (3) of the consultation with Member Authorities and the responses to the feedback received;
- (4) of the proposed reporting milestones;
- (5) that the overall cost for Phase 1 of the process towards Gateway Review 1 had been confirmed at £30,522.09 and the PMO was currently in discussion with Greater Manchester Combined Authority (GMCA) to put in place the funding agreement, prior to any payment being made; and
- (6) of the potential estimated financial requirements for future phases of work, as detailed in the report.

After consideration, the Cabinet

- (a) approved the approach to Gateway Review 1 as set out in the NEF and the LEF;
- (b) agreed that, subject to a funding agreement being in place between Glasgow City Council, as the Lead Authority, and GMCA, payment of £30,522.09 plus VAT should be made to GMCA on the conclusion of Phase 1 development work; and
- (c) noted the potential future financial requirements, as detailed in the report, and that any payments required for future phases of work for Gateway Review 1 would be conditional upon agreement by this Cabinet.

## **Commission on Economic Growth – Update noted etc.**

**6** The Cabinet heard a verbal update by Des McNulty, Vice-Chair, Commission on Economic Growth, on the work currently being undertaken by the Commission, during which he highlighted:-

- (1) how the Commission had assisted SQW in developing the National Evaluation Framework;
- (2) that the Commission had recently been liaising with the Programme Managers responsible for the Innovation and Skills and Employment Projects, primarily to discuss ideas on how to best take forward evaluation processes for those projects;
- (3) that the Chair of the Commission, Professor Muscatelli, together with David Waite, Commission Research Associate, had been invited to speak at the Scottish Government's Inclusive Growth Conference, which was scheduled to take place in Glasgow on Friday, 20th October 2017;
- (4) that the Sighthill/Canal and North Inclusive Growth Pilot was progressing well and a number of positive meetings had been held with the relevant stakeholders;
- (5) that Professor Muscatelli was currently preparing a report on Inclusive Growth, which would be made public shortly; and
- (6) that the Commission would have a role to play in the development of the Glasgow City Region Intelligence Hub.

After consideration, the Cabinet thanked Des McNulty for the update and agreed that a letter should be prepared and circulated to Cabinet members for comment prior to it being sent to both the UK and Scottish Governments, advising of this Cabinet's desire of ensuring that the City Deal was inclusive and seeking their support in ensuring that inclusivity was built into City Deal projects.

### **Skills and Employment Programme – Working Matters Project – Position agreed etc.**

**7** There was submitted a report by the Director of Regional Economic Growth providing an update in respect of the Skills and Employment Programme, Working Matters project, advising that

- (1) based upon the current rate of client referrals it appeared unlikely that the project engagement target would be achieved by the end of March 2018 and, following a meeting between the Programme Management Office (PMO) and Department for Work and Pensions (DWP), the local DWP Area Manager had subsequently advised that they were unable to provide revised projections of client referrals locally and that this issue should be referred to the DWP nationally, requesting an urgent response;
- (2) Glasgow City Council, the Project Lead Authority, had gathered information on financial spend across each Member Authority, which showed that to the end of 2017/18 spend was expected to be £3.282m, or 73% of the DWP total programme cost of £4.5m, as detailed in the report;

- (3) the submission of the Statement of Grant Usage had been delayed, as detailed in the report, and the agreed 2017/18 advance Member Authority payments, as outlined in appendix 1 of the report, totalling £1.322m had also to be distributed; and
- (4) the Working Matters Operational Manager would continue to collate and review quarterly progress against delivery outcomes, as detailed in the report.

After consideration and having heard Sharon Thomson, Working Matters Operational Manager, the Cabinet noted the report and approved the grant payments to Member Authorities of £1.322m, as detailed in appendix 1 of the report.

### **Revised approach to approval of business cases approved.**

**8** There was submitted a report by the Director of Regional Economic Growth seeking approval for a revision to the Assurance Framework in relation to the approvals required for business cases, advising that

- (1) the Assurance Framework was currently under review and a revised document would be considered by this Cabinet in December, however there was an opportunity to consider Phase 1 of the review at this stage in order to provide a more effective business case approval process;
- (2) presently all business cases were considered by Cabinet, however Cabinet members had expressed an interest in taking a more strategic approach to economic growth;
- (3) the Glasgow City Region Programme Liaison Group had discussed alternative governance arrangements, which would ensure Cabinet retained strategic decision making powers and oversight of the City Deal Programme, with operational approvals being delegated to the Chief Executives' Group, where appropriate;
- (4) the revised approach would mean that all Strategic Business Cases (SBCs) and Outline Business Cases (OBCs) would require consideration and approval by Cabinet but Cabinet would delegate approval of Full Business Cases (FBCs) to the Chief Executives Group (CEG), provided the Programme Management Office and the CEG was content that the FBC did not represent a substantial change from the approved OBC; and
- (5) the Chief Executive of Glasgow City Council had written to both the UK and Scottish Governments proposing this revised approach to business case approvals and, if approved by both Governments and Cabinet, would be effective from 1st November 2017 onwards.

After consideration, the Cabinet approved the revised approach to business case approvals, subject to agreement from both the UK and Scottish Governments.

**Infrastructure Programme - Inverclyde Council – Greenock Ocean Terminal and Inverkip projects - Outline Business Cases approved – Declaration of interest.**

**9** With reference to the minutes of 20th October 2015 approving the Strategic Business Cases (SBC) in respect of Inverclyde Council's Greenock Ocean Terminal and Inverkip projects, there were submitted reports by the Director of Regional Economic Growth regarding the submission of Inverclyde Council's Outline Business Cases for both projects, advising that the business cases had been reviewed by the Programme Management Office and, following subsequent agreement by the Chief Executives' Group, were now being submitted to Cabinet for approval, advising

- (1) of the executive summary of the projects, as detailed in Appendix 1 of each report;
- (2) that the projects had been reviewed against the business case criteria outlined within the Assurance Framework and the development of the Full Business Cases, monitoring and evaluation of the projects would continue to inform the overarching Programme Business Case;
- (3) of the projects risk registers; as detailed in Appendix 2 of each report;
- (4) that the projects were not seeking any further funding at this stage, however, the drawdown of funding previously agreed at SBC stage would be completed on the basis of actual and eligible expenditure, in association with the grant drawdown principles outlined within the Assurance Framework; and
- (5) of details of the anticipated project outputs and outcomes that would be delivered by the projects.

After consideration and having heard presentations on both projects by Stuart Jamieson, Inverclyde Council, the Cabinet

- (a) agreed to invite Inverclyde Council to proceed to develop the 2 projects to Full Business Case; and
- (b) noted the projects' executive summaries and risk registers and that no further funding was required at this stage.

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

**Glasgow City Region Investment Summit – Position noted.**

**10** There was submitted a report by Councillor Tony Buchanan, Infrastructure and Assets Portfolio Holder, regarding the outcome of the Glasgow City Region Investment Summit, which had been held with the major utility companies and infrastructure providers on 18th September 2017 in the City Chambers, Glasgow, advising

- (1) that the goals of the summit were to
  - (a) understand shared infrastructure and investment priorities and constraints;
  - (b) agree principles for aligning spend and priorities strategically; and
  - (c) establish a way of improving working practices; and
- (2) of the key issues that emerged from discussion and the next steps.

After consideration, the Cabinet noted

- (1) the success of the summit and that a further summit would take place in approximately 6 months; and
- (2) that key contacts would be identified to ensure that work continued to be progressed between summits.

**Date of next meeting.**

**11** The Cabinet noted that the next meeting would take place on Tuesday, 12th December 2017 at 1000 hours in the City Chambers, Glasgow.