



**Glasgow City Region Cabinet**

**Report by Director of Regional Economic Growth**

**Contact: Jane Thompson (07769163494)**

**Glasgow City Region Governance Review Phase 2 – Progress Update**

**Purpose of Report:**

This report provides Cabinet with an update on the progress which has been made with the Glasgow City Region (GCR) Governance Review Phase 2.

**Recommendations:**

The Cabinet is invited to:

- a) Note progress with the ongoing governance review; and
- b) Note the Chief Executives' Group have agreed a single Regional response should be submitted to the Scotland Office's 'Local Economic Growth Review' as set out at paras 3.3-3.8;
- c) Approve the proposed changes to the Terms of Reference of the Regional Partnership, as set out at Appendix 1.

## **OFFICIAL**

### **1. Introduction**

- 1.1 This report provides Cabinet with an update on the progress which has been made with the Glasgow City Region (GCR) Governance Review Phase 2.

### **2. Background**

- 2.1 In June 2020, the Chief Executives' Group (CEG) agreed to a comprehensive review of the City Region's governance structures. The review was prompted by conditions set out in the Gateway Review One approval letter and by other complementary work including the audit of governance effectiveness.
- 2.2 The primary purpose of the review was to assess the effectiveness of governance structures, overall and at an individual group level, to understand whether the structure's groups remained fit for purpose in terms of make-up, scope, membership, how they operated, what they delivered and how they worked together.
- 2.3 The review was split into two stages with the Phase 1 Report presented to the Chief Executives' Group on the 26 November 2020 and then approved by Cabinet on 8 December 2020. The Phase 1 Review focused primarily on the working arrangements of the existing structures in order to identify operational improvements which could be made to these arrangements. Since December 2020, the PMO has sought to implement all Phase 1 recommendations. The Phase 1 Report noted that further change would be required to structures following the development of the Regional Economic Strategy.
- 2.4 In Feb 2023, the Chief Executives agreed to progress with Phase 2 of the review with the scope to take account of:
- A. ongoing discussion and consideration by Cabinet of additional powers for the Region;
  - B. integration of the Clydeplan Authority staff into the wider Regional team;
  - C. arrangements for private sector engagement following the disbanding of the Economic Leadership Board at the end of 2019;
  - D. the ongoing development of the Clyde Mission initiative and its associated governance arrangements; and
  - E. the role and membership of the Independent Commission on Economic Growth
  - F. changes which may be required to City Region resources and to governance structures to reflect changes/additions to leadership roles across Regional Partners in light of the refreshed Regional Economic Strategy.
- 2.5 It was agreed that as part of the review process, interviews would be undertaken with Cabinet and Chief Executives to gather their views on existing structures and suggested changes.

### **3. Updates in Period**

- 3.1 Latest updates on each of the elements within scope at A to F above are set out below.

**OFFICIAL**

## OFFICIAL

### A. Additional Powers for the Region

- 3.2 The Programme for Government September 2023 noted the Scottish Government's intention to increase regional empowerment in Scotland, with GCR as a pilot for further regional devolution. The first piece of work on this is the review of skills provision following the Withers Report and GCR is working with Scottish Government colleagues to develop a proposal for further devolution. As a sub-group of the Regional Partnership, the Regional Skills Devolution Group (RSDG) is leading this activity. The RSDG is chaired by Derek Smeall, Principal of Glasgow Kelvin College and current chair of the Colleges Partnership West.
- 3.3 On 29 June 2023, the Secretary of State for Scotland wrote to the Chair of the Cabinet inviting the GCR to participate in a 12-month Scotland Office led internal policy process aimed at assessing the achievements of the Deal model and broader UK Government investment in Scotland and planning the next stage of partnership working. The objectives of the Review are:
- To research and develop a Scotland Office position on "what works" regarding securing regional and local economic growth, including assessing a range of diverging growth models and interventions.
  - To review existing UK Government regional economic growth initiatives in Scotland and their impact, based on quantitative and qualitative evidence.
  - To use this research to provide a blueprint for Scotland Office Ministers on the future development of regional economic growth interventions in Scotland.
- 3.4 The Director of Regional Economic Growth and the Head of the Glasgow City Region Programme Management Officer attended a meeting with the Scotland Office officials in September 2023 to discuss experience with the Deal and broader perspectives on economic development initiatives in the Region.
- 3.5 The Scotland Office has written to the City Region Programme Management Office and Chief Executives requesting that a follow-up questionnaire be completed by 23 February 2024.
- 3.6 The invitation advises that the responses will form part of a wider evidence base that 'will enable the Scotland Office to develop proposals for the possible future of UK Government local economic growth interventions in Scotland as part of the next Spending Review. It will ultimately be the responsibility of HM Treasury to determine the most suitable allocation of public funds as part of any future Spending Review settlement, and therefore any work is at risk and proposals cannot be guaranteed to feature within the next settlement.'
- 3.7 The Scotland Office has advised that there will be further engagement at Chief Executive and political level once wider working level and stakeholder views linked to this Deal and views of others across Scotland have been collated.
- 3.8 The invitation recognised that there may be varying views and therefore welcomes multiple responses (e.g. a combined Regional response and individual Member Authority responses).

OFFICIAL

## OFFICIAL

### **B. Integration of the Clydeplan Authority staff into GCR PMO**

- 3.9 A separate paper on the progress which has been made to date will be provided by the Director for Regional Economic Growth at the 01/02/24 CEG meeting.

### **C. Arrangements for Private Sector Engagement**

- 3.10 The November 2023 Cabinet agreed the proposal role and remit of the Glasgow Economic Leadership Board be broadened to provide private sector engagement for the Region. This group, co-chaired by Professor Sir Jim McDonald and Cllr Aitken, already has significant representation from the Region and would be a route for wider private sector engagement and advice on Regional priorities. The GEL Board will now fulfil the role originally envisaged for the GCR Economic Leadership Board chaired by Lord Haughey and will fill a gap which has been identified through previous governance reviews. At its meeting on 9<sup>th</sup> January 2024, it was agreed that membership of the Board will be reviewed to ensure appropriate coverage of the wider region.

### **D. Ongoing development of the Clyde Mission Initiative – below is the text from Nov 2023 Cabinet paper.**

- 3.11 On 20 June 2023, the First Minister wrote to the Chair of the Cabinet confirming the migration of the leadership role for the Clyde Mission project to GCR. The formal announcement of the migration took place at an event on Monday 28 August.
- 3.12 Written confirmation has been received from SG advising that an additional £1.5 million will be awarded over three years (2023-26) to Glasgow City Council, on behalf of the Glasgow City Region and Argyll and Bute Council, to invest in development of a masterplan for the Clyde Mission setting out plans for stimulating growth of a sustainable, wellbeing economy in the Clyde Mission area and wider city region.
- 3.13 Discussions have now taken place with Argyll and Bute Council about their involvement and it is expected that they will participate in the Masterplan Steering Group but manage their share of the capital funding through their own structures rather than through GCR ones. The new Head of Place will take up post on 4<sup>th</sup> March and will have responsibility for driving forward the Mission.

### **E. Role and Membership of the Independent Commission on Economic Growth**

- 3.14 The Commission for Economic Growth has agreed to provide independent scrutiny to the Gateway Review 2 process which will progress throughout 2023/24 and 2024/25. The Mid-term Review Gateway Reports were considered at the meeting of the Commission on Monday 4 September 2023. It was agreed at the September meeting that Prof Sara Carter of the University of Glasgow should replace Prof Sir Anton Muscatelli as Commission Chair with Prof Muscatelli remaining as a member. This proposal was approved by the November 2023 Cabinet. The Commission has also agreed to review its membership and Terms of Reference.

OFFICIAL

## **OFFICIAL**

### **F. Changes to City Region Resources and Governance Structures**

- 3.15 It is proposed that the Terms of Reference (ToR) for the Glasgow City Regional Partnership are amended, reflecting the role of the Partnership in the development and delivery of projects in the Regional Economic Strategy Action Plan. The current ToR (Appendix 1) is amended to allow the Partnership to undertake other activities, including decision-making, as delegated to it by the Cabinet.
- 3.16 It is also proposed that the membership of the Regional Partnership is updated to include representative of GEL, reflecting the recent decision to broaden the scope of the body to cover GCR. It is also proposed that the Chair of the Colleges Partnership West (CPW) is invited to be a member of the Partnership, to represent the colleges of GCR.

### **4. Recommendation**

- 5.1 The Cabinet is invited to:
- a) Note progress with the ongoing governance review; and
  - d) Note the Chief Executives' Group have agreed a single Regional response should be submitted to the Scotland Office's 'Local Economic Growth Review' of as set out at paras 3.3-3.8; and
  - e) Approve the proposed changes to the Terms of Reference of the Regional Partnership, as set out at Appendix 1.

# OFFICIAL

## Appendix One – Regional Partnership Terms of Reference and Membership

[Proposed changes in ***bold and italics***]

### GLASGOW CITY REGIONAL PARTNERSHIP

#### TERMS OF REFERENCE

The Glasgow City Regional Partnership's purpose will be to:

1. maximise economic growth in the Glasgow city region;
2. ensure inclusive growth measures are incorporated into all activity;
3. identify new ways of working to maximise outcomes;
4. monitor delivery of the Glasgow City Region Economic Strategy and Action Plan;
5. review the Economic Strategy and Action Plan at regular intervals;
6. maximise funding opportunities;
7. actively promote collaboration and partnership working between the 8 Member Authorities, Scottish and UK Government, their agencies, private sector and academia to deliver shared economic priorities;
8. co-ordinate and co-design joint investment proposals/packages for funders (private/public and third sector) with input from all key Partners;
9. monitor the City Deal Dependency Register; and,
- 10. to undertake such other activities, including decision-making, as delegated to it by the Cabinet.**

#### MEMBERSHIP

- The Chief Executives' Group members;
- UK Government;
- Scottish Government;
- Skills Development Scotland;
- Scottish Enterprise
- Public Health Scotland;
- Glasgow Centre Volunteer Service
- Glasgow Chamber of Commerce;
- Renfrewshire Chamber of Commerce;
- Commission on Economic Growth;
- Strathclyde Partnership for Transport
- ***GEL (Glasgow Economic Leadership);***
- ***Colleges Partnership West.***

OFFICIAL