

City Deal Reprogramming Exercise Proposal – Position agreed etc.

5 There was submitted a report by the Director of Regional Economic Growth regarding an update on the Reprogramming Exercise, including the support being provided by the City Deal Programme to the Clyde Metro scheme and related Glasgow Airport Access Scheme (GAAP), and outlining proposals for the reallocation of remaining GAAP City Deal funds to support the development of new City Deal projects, advising

- (1) that in April 2020, this Cabinet had agreed to pause the work which was being undertaken by Renfrewshire Council (RC) on the GAAP to allow a review of the Connectivity Commission's recommendation on a regional Metro Scheme and the wider opportunities this could lever, whilst also agreeing that the remaining GAAP business case development funding (i.e. £12.155m of the £15.149m approved at Strategic and Outline Business Case) could be used by Glasgow City Council (GCC) to support feasibility studies for the proposed Metro, with decisions regarding the use of the funding being delegated to the Glasgow City Region (GCR) Chief Executives' Group (CEG);
- (2) that since April 2020, a Metro Feasibility Study, led by GCC, had been established to work on key areas of transformational objectives, economic narrative and transport governance, and operator models to inform and complement the second Strategic Transport Projects Review (STPR2) which supported securing Clyde Metro as a recommendation by Scottish Government in December 2022 as a key priority for future transport investment;
- (3) that in February 2023, the GCR CEG had been advised that the Clyde Metro recommendation contained within STPR2 had meant that the scope of the GAAP had been contained within the wider Clyde Metro network development options and delivery phasing, and that both RC and GCC had agreed that the delivery of a wider Clyde Metro network provided multiple corridor connectivity opportunities which offered significant regeneration and economic benefits as part of wider transformational opportunities;
- (4) that the CEG had been advised of assessments on the Accelerated Delivery Workstreams, the purpose of which had been to accelerate early phases of work which would assess and identify suitable corridors for potential Clyde Metro routes and that in June 2023, Transport Scotland (TS) had advised the Clyde Metro Programme Steering Group that the Case for Investment (Cfi) would now encompass the original scope of work with the Accelerated Delivery Workstreams, into a single programme approach;
- (5) that the Cfi was the next key stage in the development of Clyde Metro and the Client Delivery Group had continued to develop the programme mobilisation approach to deliver the Cfi outputs, which would set out the Strategic Business Case for the project and arrangements for the initial delivery phases and would also establish the preferred Clyde Metro network, as detailed in the report;

- (6) that previous studies undertaken prior to April 2020 by RC with the GAAP City Deal funding, including the GAAP Outline Business Case for a fixed link between Paisley Gilmour Street and Glasgow Airport would form important inputs to assess the dominant regional economic and social value benefits and would assist to inform the criteria and selection process for the first phase of the Clyde Metro, and of a proposal that this Cabinet be asked to agree that the City Deal funded studies and business cases completed by RC for the GAAP be used to inform the Clyde Metro Scheme development and continued to represent eligible expenditure;
- (7) of the interim Metro governance arrangements, confirming that the lead role for the development for the Cfl stage would move to Strathclyde Partnership for Transport, working alongside GCC on behalf of GCR and Transport Scotland, as detailed in the report;
- (8) of the funding arrangements for the Clyde Metro Cfl, as detailed in the report;
- (9) that there were 2 main elements to the proposal being considered with Governments, as summarised below-

A: New Regional Project. Governments have requested that 50% (£64.57m) be allocated towards a new, regional project of significant scale, allowing us to support new opportunities/address new priorities which have emerged since initial City Deal programme assembly exercise in 2013/14; and

B: New and Existing Local Projects. GCR has proposed that the remaining 50% (£64.57m) be reallocated to Member Authorities for new local project activity and to support delivery of existing City Deal projects which have faced unprecedented cost pressures resulting from externalities (e.g. construction inflation, Covid impacts etc);

- (10) that the existing Assurance Framework set out the governance processes which should be followed for reallocation; and
- (11) that 2 separate exercises would require to be undertaken for both elements, as detailed in the report.

After consideration, the Cabinet

- (a) noted
 - (i) the report;
 - (ii) that on 6th December 2023, the Chief Executives' Group, under the authority delegated to it by Cabinet in April 2020, had agreed to allocate £12.155m of the approved business case stage funding from the City Deal Glasgow Airport Access Project to Glasgow City Council to promote and accelerate business case development of Clyde Metro proposals towards key gateway decisions; and

- (iii) that Strathclyde Partnership for Transport would be the lead organisation for the Case for Investment development stage for Clyde Metro; and
- (b) agreed
 - (i) that the City Deal funded studies and business cases completed by Renfrewshire Council for the Glasgow Airport Access Project be used to inform the Clyde Metro Scheme development and continued to represent eligible expenditure;
 - (ii) that the Glasgow City Region Programme Management Office circulate the principles behind the decision-making process in terms of identifying any New Regional Project and how that criteria might address any potential imbalances within individual Member Authorities across the Region; and
 - (iii) to the reallocation approach, together with the key milestones, as detailed in the report.