



Glasgow City Region Cabinet

Report by Director of Regional Economic Growth

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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) Agree the proposed role of the GEL Board; and
- c) Agree the proposed change in Commission Chair.

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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, provides an overview of the additional funding attracted to the Region and sets out the additional resources required to deliver the GCR Programme Management Office's additional responsibilities.

2. Background

- 2.1 In June 2020, the 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. These changes will be taken account of within proposed changes to structures as these are brought forward.

3. Updates in Period

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

A. Additional Powers for the Region

- 3.2 The Scottish Government's September 2023 [Programme for Government](#) stated the intention to increase regional empowerment in Scotland with Glasgow City Region (GCR) a pilot for further regional devolution.
- 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 to discuss experience with the Deal and broader perspectives on economic development initiatives in the Region. A further meeting with representatives of other City Regions is to be convened by the Scotland Office in November.

B. Integration of the Clydeplan Authority staff into GCR PMO

- 3.5 On 28 June 2023, the Glasgow and the Clyde Valley Strategic Development Planning Authority Joint Committee met to explore options for new management and governance arrangements in relation to ongoing strategic planning in the Clydeplan area, the cessation of Clydeplan Strategic Development Plan and the duty to prepare a Regional Spatial Strategy (RSS). The Committee voted for Option 1 which would see Glasgow City Council acting as host authority for existing Clydeplan and Green Network staff and the GCR Cabinet adopting the responsibility for the development of the RSS with the option to consider the establishment of a sub-committee. Members of the Joint Committee have requested that Glasgow City Region consider how this option can be implemented and set out the steps to deliver this, and the associated timescale and costs. Renfrewshire Council is currently leading on engagement with the Clydeplan team and a joint meeting of Renfrewshire officers, the Director for Regional Economic Growth and the Clydeplan team took place in August.
- 3.6 Legal officials from both Glasgow City Council and Renfrewshire Council are in discussion about the process which should be followed and this will be presented to CEG in due course. Given that both options considered by the Joint Committee would see TUPE transfer to GCC as lead authority for GCR, HR guidance is also being given in advance of any formal decision.

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- 3.7 A verbal update on the progress which has been made to date will be provided by the Director for Regional Economic Growth.

C. Arrangements for Private Sector Engagement

- 3.8 The Glasgow Economic Leadership Board has agreed to broaden its remit to provide private sector engagement for GCR. This group, co-chaired by Professor Sir Jim McDonald and Cllr Aitken, already has significant representation from the City Region and would be a route for wider private sector engagement and advice on regional priorities. This is proposed to fulfil the role originally envisaged for the previous GCR Economic Leadership Board chaired by Lord Haughey and fill a gap which has been identified through previous governance reviews. Membership and the name of the Board will be reviewed to ensure appropriate coverage of the wider region.

D. Ongoing development of the Clyde Mission Initiative

- 3.9 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.
- 3.10 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.
- 3.11 A separate paper has been provided to Cabinet setting out how Clyde Mission will be governed the process for encouraging bids for the Heat Decarbonisation Fund and plans for the £1.5m revenue funding and associated masterplanning process. This will include how Argyll and Bute will be included within the governance as appropriate.

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

- 3.12 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. The Commission has also agreed to review its Terms of Reference and will consider this at its next meeting.

F. Changes to City Region Resources and Governance Structures

- 3.13 No updates on period.

4. Recommendation

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5.1 The Cabinet is invited to:

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- b) Agree the proposed role of the GEL Board; and,
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