

City Deal Reprogramming and Programme Prioritisation Appraisal – Proposals approved etc.

17 With reference to the minutes of 13th February 2024 agreeing to the reallocation approach of City Deal funds to support a Reprogramming Exercise, there was submitted a report by the Director of Regional Economic Growth regarding proposals for the reallocation for the Glasgow Airport Access Project (GAAP) Funds, that included the funds to be allocated to mitigate inflation on existing City Deal projects, 2 proposed New Local Projects and a proposed New Regional Project advising

- (1) that the remaining £129.145m of the original GAAP funding would be reallocated on 2 main elements, namely:

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

B: New and Existing Local Projects - 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);

- (2) that in order to identify this new project, as required by the Assurance Framework, the Programme Prioritisation Framework (PPF) process had been implemented, resulting in 4 Expression of Interests (EOI) that had been assessed by the Programme Management Office:-

- (a) Paisley Regional Gateway (Phase 1);
- (b) National Business District Shawfield Completion Project;
- (c) Tidal Clyde Regeneration Through Climate Adaptation; and
- (d) Enabling & Delivering Commercial Space;

- (3) that the Enabling & Delivering Commercial Space submitted by Inverclyde Council had a project location region-wide of 23 projects across 8 Member Authorities (MA), as detailed in Appendix 1 to the report, and that this EOI had ranked highest;

- (4) that East Renfrewshire Council and Inverclyde Council had proposed New Local Projects as summarised, in Appendix 2 to the report;

- (5) that the remaining 6 MAs had confirmed the funds were to be used on inflation related costs of existing projects, namely:

- (a) East Dunbartonshire - inflation costs included in Outline Business Case for Place and Growth Programme for approval ;
 - (b) Glasgow – inflation costs incurred on projects during construction phase. Details are set out within Glasgow’s wider Revision 10 Proposals paper for approval;
 - (c) North Lanarkshire – East Airdrie Link Road (EALR) inflation cost. Details on this proposal were set out within the EALR OBC Approval Paper approved by the August 2024 Cabinet;
 - (d) South Lanarkshire – inflation costs across the Community Growth Area projects delivered to date;
 - (e) Renfrewshire - inflation costs incurred on Clyde Waterfront Renfrew Riverside; and
 - (f) West Dunbartonshire – inflation costs incurred on the Exxon project; and
- (6) of the proposed next steps for the elements A and B, as detailed in the report.

After consideration, the Cabinet

- (i) noted the report; and
- (ii) agreed the
 - (A) selection of the Enabling and Delivering Commercial Space Project as the preferred Expression of Interest under element **A: New Regional Project**;
 - (B) proposed use of the funds for inflationary costs and 2 new local projects under workstream **B: New and Existing Local Projects**; and
 - (C) next steps, as set out in section 6 of the report.