Glasgow Economic Leadership Board

Meeting 41

Wednesday 26 June, 11.00 - 12.00

Online via MS Teams

Present

Professor Sir Jim McDonald (Principal, University of Strathclyde - Co-Chair)
Cllr. Susan Aitken (Leader, Glasgow City Council - Co-Chair)
David Bunton (CEO, Reprocell Europe)
John Howie (Chief Corporate Affairs Officer, Babcock International)
Selma Hunter (CEO, Hunter Consultancy)
Janice Kirkpatrick (Director, Graven)
Jane Martin (MD Innovation & Investment, Scottish Enterprise)
Susanne Millar, CEO, Glasgow City Council

Some Members were unable to successfully join the meeting (Andy Cliffe, Jim McColl and Paul Zealey).

Apologies

Guy Jefferson (COO, SP Energy Networks)
Stuart Patrick (CEO, Chamber of Commerce)
Alison McRae (CoC)

Attending

Kevin Kane (GEL)
Kevin Rush (GCC)

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1   **Welcome, introductions and apologies**

1.1   GEL Co-Chair, **Professor Sir Jim McDonald** welcomed all to the meeting.

1.2   **Professor Sir Jim McDonald** noted that the meeting had been rescheduled given that the previous date (4 July 2024) clashed with the General Election. **Professor Sir Jim McDonald** noted that the co-Chairs had been keen to maintain the momentum of GEL 2.0, hence this rescheduled, shortened and online GEL Board.

1.3   **Professor Sir Jim McDonald** welcomed **Susanne Millar** the new CEO of Glasgow City Council to her first GEL Board meeting and invited **Susanne Millar** and Members to introduce themselves. **Professor Sir Jim McDonald** hoped that **Susanne Millar** would find the GEL Board a useful forum to hear the views of Glasgow's business leaders and see how business and industry, working with the Council and public agencies, can work together to improve the city region economy and generate training and job opportunities and improve the lives of citizens.

1.4   **Professor Sir Jim McDonald** informed Members that **Debbie Crosbie** CEO of Nationwide had stepped down from the Board, as had **Peter Duthie** who is stepping down as CEO of the SEC. **Professor Sir Jim McDonald** noted that **Debbie Crosbie** was keen to keep in touch, particularly given Nationwide's acquisition of the Glasgow HQ'd Virgin (formerly Clydesdale) Bank.

1.5   **Professor Sir Jim McDonald** noted the key agenda items for the meeting were the proposed Terms of Reference for the GEL Innovation Group ('GEL-IG') which puts flesh on the GEL Board's key role in advising the GCR Cabinet on innovation and a briefing   from **Cllr. Susan Aitken** on GCR's devolution "asks" of UK and Scottish governments.

1.6   Apologies were noted.

2   Minute of 27 March 2024 and Matters Arising

Minute of 27 March 2024

2.1   **Cllr. Susan Aitken** invited the Board to approve the Minute of the Board meeting of 27 March 2024. The Minute was approved.

Matters Arising – GBN / International & National Destination Management

2.2   **Cllr. Susan Aitken** invited **Kevin Rush** to update Members.

2.3   **Kevin Rush** noted that the GCC/Glasgow Airport/Chamber of Commerce work has focused on how GCR can enhance its approach to destination management in domestic and international markets. The proposal is that GEL establish a new GEL International Group to oversee the development of an International Strategy (as per the Innovation Group for innovation) to be chaired by **Andy Cliffe**. With a Terms of Reference to be agreed by the GEL Board, it is proposed that the International Group **will** oversee the development of a strategy that has clear key target markets, a co-ordinated set of market activities and that has an e-suite of marketing materials that businesses and third parties can use to promote GCR, nationally and internationally. Glasgow City Council is currently considering the resource implications and it is expected that by the autumn a coherent proposal with a ToR will be available for the GEL Board to discuss and approve.

2.4   **Jane Martin** was very supportive of the proposal and noted the work of SDI in helping to join things up. **Jane Martin** asked whether the intention is to go beyond promotion to investment fulfilment? **Kevin Rush** said that was the intention and that it would be addressed in the International Group's forthcoming ToR.

Matters Arising - SPT

2.5   **Cllr. Susan Aitken** noted that further to the SPT presentation to the previous GEL Board, **Valerie Davidson** had written to the co-Chairs with some asks of GEL. These included: asking GEL Members to "talk up" Glasgow existing level of public transport, seeking GEL's assistance to help regain lost/deferred capital funding (from Transport Scotland) and to invite GEL to participate in Clyde Metro advocacy groups, once they are established. **Cllr. Susan Aitken** said that the co-Chairs would consider the requests and that she would speak to transport under item 5.

3   **GEL Innovation Group: Terms of Reference**

3.1   **Professor Sir Jim McDonald** noted that one of the key roles of the move to GEL 2.0 was GEL's new role in advising the GCR Cabinet on innovation and overseeing the delivery of GCR-led innovation activity (eg, Innovation Accelerator, Innovation Action Plan/'Deal' and the Investment Zone). As previously noted, **John Howie** is the Board's nominated innovation lead, working with **Andy Cliffe, Janice Kirkpatrick, Jane Martin** and **Stuart Patrick.**

3.2   **Professor Sir Jim McDonald** noted that the proposed Terms of Reference for the GEL Innovation group ('GEL-IG') had been developed by **Kevin Rush**, with input from GEL, and sets out the group's governance, roles and responsibilities. **Professor Sir Jim McDonald** invited **John Howie** to take the Board through the ToR.

3.3   **John Howie** said his view was that the role of GEL-IG was to ensure that GCR-led innovation activity is coherent, championed, measured and co-ordinated. GEL-IG will aim to ensure that GCR's innovation activities are greater than the sum of their parts and that it should champion GCR in Scotland and at the UK level, particularly linking with Greater Manchester and the West Midlands metro areas. GEL-IG will ensure that GCR measures the impact of its innovation activity and noted that **Andy Cliffe** had shared some work from Manchester in this regard. Finally, GEL-IG would ensure greater co-ordination between the city region's Investment Zone and Innovation Districts. **John Howie** noted that GEL-IG builds on the success of the Innovation Partnership created to develop Glasgow's Innovation Accelerator proposition.

3.4   **Kevin Rush** added that advocacy is important role for GEL-IG especially given that the Investment Zone prospectus is going to GCR$ Cabinet in August 2024 for approval. Given the on-going work to develop an Innovation Deal, there is a need for a coherent and knowledgeable advocacy of GCR's innovation narrative and activity.

3.5   **Selma Hunter** welcomed GEL-IG and noted her concern that key engineering skills in GCR are being lost to low-cost centres worldwide and there is a need to ensure that those graduating from engineering courses had opportunities in GCR to develop their skills and careers. **Kevin Rush** noted that part of GCR's IZ proposition is that there should be a £30M programme to invest in skills support – as well as on-going work on a skills "devo ask" of Scottish government (refer item 5).

3.6   **Susanne Millar** noted that her view is that innovation should be viewed as part of wider social and economic regeneration and that we should be more "upfront" about how innovation contributes to that.

3.7   **Janice Kirkpatrick** welcomed the creation of GEL-IG and hoped that it would evolve. She felt there should be a greater focus on SMEs (who innovate disproportionately), how they link with corporates and a greater role for creativity and its links to economic wellbeing. She echoed Scotland's Chief Entrepreneur and Strathclyde Enterprise Fellow **Mark Logan** who said we should not exclude GSA and RCS as key innovation assets.

3.8   **Professor Sir Jim McDonald** noted that the previous evening **Janice Kirkpatrick** and **Mark Logan** had been at Strathclyde to advise on how best the university could support/connect Strathclyde entrepreneurs. **Professor Sir Jim McDonald** said Glasgow had the potential to be an "exemplar" for entrepreneurship across Scotland, given its assets and number of digital and creative companies. **Action: Professor Sir Jim McDonald proposed that Mark Logan be invited to brief a forthcoming Board on how to best support entrepreneurship.**

3.9 **Professor Sir Jim McDonald** thanked Board Members for their comments and noted that the ToR include a widening of GEL-IG membership to include the research-based universities and Innovation Districts. **Professor Sir Jim McDonald** noted that both **Gillian Docherty** (UoS/GCID/AMIDS) and **Uzma Kahn** (UoG/GRID) are both members of the Scottish Government NSET Delivery Board and it would be appropriate that they be invited to join GEL-IG. **Action: that Gillian Docherty and Uzma Kahn be invited to join GEL-IG.**

3.10 **Professor Sir Jim McDonald** invited **John Howie** to conclude. **John Howie** said he was keen that GEL-IG was not a "box ticking" exercise, that innovation had to be an economic generator, something that generates economic opportunity, utilises, retains and attracts skills, involves SMEs and helps them scale-up and that includes the creative sector and skills.

3.11 **Professor Sir Jim McDonald** invited Board Members to approve the GEL-IG ToR. The GEL-IG ToR were approved.

5. **GCR devolution "ask"**

5.1 **Professor Sir Jim McDonald** noted that GEL 2.0 has a key role in advising the GCR Cabinet on economic development and that it is important Members are aware of political moves to enhance the resources/responsibilities available to GCR and that this was doubly important given an imminent new UK government. **Professor Sir Jim McDonald** invited **Cllr. Susan Aitken** to brief the Board.

5.2 **Cllr. Susan Aitken** began by noting that GCR has been successful in grasping and using disparate UK/Scottish funding streams to support the delivery of GCR's economic strategy and missions. GCR had always sought to take a holistic approach to the deployment of single funding streams. This experience has led to GCR to seek the right to manage a single pot to help accelerate the achievement of its economic development objectives.

5.3 To this end, Glasgow City Region is seeking formal "metropolitan status" from Scottish Government, akin to that for Metro regions in England, something that **Cllr. Susan Aitken** said needs to be accelerated. GCR Cabinet wishes to continue with its distributed leadership model and not the English Metro mayor approach, though it was noted that the latter is a feature of the current Scottish Labour manifesto.

5.4 **Cllr. Susan Aitken** noted that the Cabinet is to have a private political discussion in early August which **Professor Sir Jim McDonald** will attend. In short, GCR's "ask" is for a "single pot" of UK and Scottish funding that is assured over a number of years and allows GCR to vire resources within a single assurance framework. GCR had demonstrated good governance and delivery across a number of UK and Scottish funding streams including City Deal, Shared Prosperity Fund, Levelling-Up, Innovation Accelerator and - soon - Investment Zone funding.

5.5 GCR themes include Innovation, Infrastructure (climate adaptation, vacant & derelict land, transport etc.), Skills and Anti-poverty/Inclusion. **Cllr. Susan Aitken** noted that with respect to transport, this may emerge as a new theme and that further work is required on governance and delivery to enable GCR to move faster than Manchester, which took seven years to introduce a publicly operated bus network.

5.6 **Cllr. Susan Aitken** noted that GCR is leading work on skills devolution (with GEL involvement) around a regional approach to apprenticeships, reskilling and upskilling, building employer engagement and an Employer Skills Board and some sector-

specific plans (eg maritime) and noted on-going engagement with Scottish government officials.

5.7 **Cllr. Susan Aitken** noted that GCR governance had been further strengthened with the incorporation of a formal advisory role of GEL to the GCR Cabinet.

5.8 **Professor Sir Jim McDonald** noted that GEL had been an under-utilised asset and with GEL 2.0 integrated into GCR, GCR can take a whole systems approach that now includes strong private sector representation and engagement, something whose maturity will be recognised by Whitehall and Holyrood.

5.9 **Professor Sir Jim McDonald** asked whether **JP Marks**, the Scottish Government Permanent Secretary, recognised the strength and maturity of GCR? **Susanne Millar** said she had had constructive meetings with **JP Marks** in her previous role and was to meet with him in August. She noted he is a real supporter of a systems approach and that she and **Kevin Rush** would align the GCR devolution ask under the Scottish Government's public sector reform agenda. **Susanne Millar** said **JP Marks** is "hugely supportive" of Glasgow and GCR and is looking for the people who will deliver reform. **Jane Martin** noted that SE was also having discussions about greater flexibilities and is keen to take a portfolio approach to risk and that indications are that both the FM and DFM are "up for it". **Kevin Rush** agreed that **JP Marks** was up for the challenge but noted that a key challenge is resistance to change from middle management and managers.

5.10 **Professor Sir Jim McDonald** said that with GEL now "baked in" within GCR, GCR governance provided a coherent structure for strategic delivery; **Cllr Susan Aitken** agreed and noted that the partnerships were now in place and that the timing was right for greater city regional devolution, especially given an imminent, new UK government.

5.11 **Professor Sir Jim McDonald** thanked **Cllr. Susan Aitken** for her update and Members for their contributions.

6   AOB / DONM

6.1 **Professor Sir Jim McDonald** noted that the next GEL Board will take place on **8 October 2024 (08.30-10.00)** and there being no further business, **Professor Sir Jim McDonald** closed the meeting.

Kevin Kane
Executive Director
Glasgow Economic Leadership   July 2024