

Glasgow Economic Leadership Board

Meeting 40

Wednesday 27 March 2024, 08.30 - 10.00

**Board Room, National Manufacturing Institute Scotland (NMIS),
Netherton Campus, Paisley**

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)
Andy Cliffe (CEO, AGS Airports Ltd.)
Peter Duthie (CEO, Scottish Events Campus)
John Howie (Chief Corporate Affairs Officer,
Babcock International)
Selma Hunter (CEO, Hunter Consultancy)
Guy Jefferson (COO, Scottish Power Energy
Networks)
Janice Kirkpatrick (Director, Graven)
Jane Martin (MD Innovation & Investment,
Scottish Enterprise)
Jim McColl (Chairman & CEO, Clyde Blowers
Capital)
Stuart Patrick (CEO, Glasgow Chamber of
Commerce)

Apologies

Debbie Crosbie (CEO,
Nationwide)
Annemarie O'Donnell
(CEO, GCC)
Paul Zealey (SDS)

Attending

Kevin Kane (GEL)
Alison McRae (CoC)
Kevin Rush (GCC)

Guests

Valerie Davidson (SPT)
Anne Murray (GCC)
Sheona Sutherland (GC
Insight)

1 Welcome, introductions and apologies

- 1.1 GEL Co-Chair, **Professor Sir Jim McDonald** welcomed all to NMIS, Scotland's centre for manufacturing innovation and skills. NMIS is operated by the University of Strathclyde and is the key facility for diffusing Manufacturing 4.0 technologies, capability and facilities to the Scottish manufacturing sector. NMIS is located in the City Deal-funded Advanced Manufacturing Innovation District Scotland (AMIDS) alongside the Advanced Forming Research Centre (AFRC) – which recently opened its Future Forge facility which Rolls Royce has said is a global industry “game changer” – the Lightweight Manufacturing Centre (LMC) and most recently the pharma-industry backed Medicines Manufacturing Innovation Centre (MMIC) which is at the forefront of innovation in continuous pharma manufacturing. NMIS and the other facilities currently employ over 400 and when AMIDS is fully developed out will see over 4,000 jobs and £1BN GVA generated for the GRC economy.
- 1.2 **Professor Sir Jim McDonald** welcomed **Sheona Sutherland** who joined the meeting virtually, to **Valerie Davidson**, CEO of SPT (Strathclyde Partnership for Transport) and **Anne Murray** of the GEL Investment hub/Invest Glasgow.

1.3 Apologies were noted.

2 Minute of 9 January 2024 and Matters Arising

2.1 **Cllr. Susan Aitken** invited the Board to approve the Minute of the Board meeting of 9 January 2024. The Minute was approved.

2.2 **Cllr. Susan Aitken** invited **Kevin Kane** to update members on Matters Arising:

- (i) **Lord Stern: Professor Sir Jim McDonald** noted that he had spoken with **Lord Stern** and appraised him of Glasgow's green transition plans. He would be happy to engage with the City to discuss these plans as appropriate.
- (ii) **New GEL Board industry members: Kevin Kane** confirmed that several names had been sourced (some from Scottish Enterprise) and **Kevin Rush** confirmed that due diligence was currently being undertaken. These prospective members would be drawn from the business and industry sectors from across GCR.

2.3 **Kevin Kane** noted that other Matters Arising were included in the agenda.

3 Glasgow Business Narrative

3.1 **Cllr. Susan Aitken** introduced the item noting that the better business messaging of Glasgow's investment and business strengths and opportunities was a "very important issue" and one that was a longstanding interest of the GEL Board. **Cllr. Susan Aitken** invited **Andy Cliffe** and **Stuart Patrick** to introduce the item and **Sheona Sutherland** who joined the meeting virtually (from Manchester).

3.2 **Andy Cliffe** noted the on-going work funded by GCC, Glasgow Airport and Glasgow Chamber of Commerce and that **Sheona Sutherland** had been involved as part of the team in helping chart possible ways forward. **Andy Cliffe** noted that **Sheona Sutherland's** presentation provided the GEL Board with an update on progress to date and prior to the finalisation of her report within the next month or so.

3.3 **Sheona Sutherland** spoke to a presentation that was circulated at the close of the meeting. The presentation provided the backdrop to the work, the comparator city regions that had been researched (i.e. Manchester, Belfast, Amsterdam, Copenhagen and Gothenburg) and Glasgow's current performance set against an agreed set of indicators (from approach, objectives, functions, resources to performance and impact) and an associated SWOT analysis.

3.4 **Sheona Sutherland** outlined the draft recommendations which include that a (Glasgow) city region framework be used for business messaging; that a DMO (Direct Marketing Organisation) be established and with it a proposed core set of functions/responsibilities; the need for an active business/external voice in DMO policy and strategy and that a DMO Implementation Plan be developed that sets out partnership roles/responsibilities, organisational culture, business leadership and representation.

3.5 **Cllr. Susan Aitken** thanked **Sheona Sutherland** for her presentation, noted that it would be circulated to Members and invited comments and questions. **Professor Sir Jim McDonald** noted the Board's longstanding interest in the topic and proposed **Action: that at the next GEL Board (June/July) this be a significant agenda item to enable Board Members to fully consider the issue and advise on the proposed way forward.** This was agreed.

4. GCR Innovation Overview / Glasgow Investment Zone update

- 4.1 **Professor Sir Jim McDonald** noted that in the move to GEL 2.0 that GEL has a key role in advising the GCR Cabinet on innovation, both in developing bids and in overseeing delivery. He noted that **John Howie** is the Board lead for innovation and that he would chair a new GEL Innovation Group to oversee the delivery of Investment Zone and Innovation Accelerator projects as well as the development of the GCR Innovation Action Plan. The co-Chairs were keen that John be assisted with several GEL Board Members and noted that **Andy Cliffe, Janice Kirkpatrick, Stuart Patrick** had agreed to serve with **Professor Sir Jim McDonald** adding that **Jane Martin** be added to the group which would also include **Kevin Rush** and **Graham Smith**.
- 4.2 **Professor Sir Jim McDonald** invited **Kevin Rush** to brief the Board on the current innovation landscape in GCR and on progress on the Investment Zone prospectus.
- 4.3 **Kevin Rush** noted that GCR has several innovation programmes including the £33m *Innovation Accelerator* (with industrial co-funding, this rises to ~£70M), the *Innovation Action Plan* (which is to be developed into an ‘*Innovation Deal*’ for UK and Scottish government funding) and the current £160m/10-year *Investment Zone* (IZ) initiative. The IZ was currently in development with the two-month Open Call set to close on 31st April 2024. To date there had been 34 bids worth approximately £1BN with the majority private sector-led and more are expected. GCR had kept the sectoral focus broad to reflect regional capabilities. The next stage will be a technical assessment process to check key parameters such as private sector leverage, deliverability etc. Thereafter, the Strategic Panel will meet in early May to consider how GCR can maximise the economic opportunity of the IZ and to recommend the IZ proposition to GCR Cabinet for its approval on 11 June 2024. (**Kevin Rush** noted that bids for tax-exempt sites will be subject to a longer period of assessment by UKG officials)
- 4.4 **Professor Sir Jim McDonald** noted that the Investment Zone was a “remarkable development for Glasgow” and a powerful external validation of Glasgow’s governance approach in the initial Innovation Accelerator programme (in which **John Howie** chaired the private/public Innovation Partnership).
- 4.5 **Professor Sir Jim McDonald** invited **John Howie** to share his thoughts/experience of the Innovation Accelerator. **John Howie** noted that Glasgow had originally started late but he had been impressed by how quickly Glasgow had developed a high-quality bid due to the scale of existing innovation activity across the city region. He noted that HMG had indicated that had additional resources been made available to the IA that Glasgow would have captured it due to the strength of its bid.
- 4.6 **Kevin Rush** noted that the next policy priority is to seek a ‘Single Pot’ across all policy areas (innovation, sustainability, inclusion etc.). **Jane Martin** noted that Scottish Enterprise was similarly seeking flexibility from Scottish Government to enable it to invest in economic development and private sector-led propositions.
- 4.7 **Professor Sir Jim McDonald** thanked **Kevin Rush** for his update and Members for their interest. **Professor Sir Jim McDonald** asked that the date of the next GEL Board be set to enable the Board to be updated on the IZ proposition, prior to it going to the Cabinet for approval. **Kevin Rush** indicated a narrow window of opportunity in very early June 2024.

Member discussion: Connectivity - Clyde Metro

- 5.1 **Professor Sir Jim McDonald** noted that at the previous GEL Board, Members had been asked to indicate issues they wished the Board to discuss. One of these was Connectivity (the other was Skills). Given this, the co-Chairs had invited **Valerie Davidson**, CEO of SPT to brief the Board on current public transport issues, capital programmes and developments, including Clyde Metro. **Professor Sir Jim McDonald** asked Members to consider how best the GEL Board can engage with this issue and then invited **Valerie Davidson** to brief the Board.
- 5.2 **Valerie Davidson** spoke to a presentation circulated to Members after the close of the meeting. Public transport use has changed significantly since Covid (down c.20%) with weekly commuters down c. 40% and people travelling less by commercial bus (highest use mode, down 10%, train by down 22% while Subway patronage is up by 1%.
- 5.3 **Valerie Davidson** noted that SPT's current capital priorities are the Subway modernisation with 7 of the new 14 (2 more than current) trains now in service, with new signalling to be installed and platform screen doors to be installed in 2025/26 which will mean a more flexible, higher use and safer Subway service. SPT is introducing a new Smart Zonecard in summer 2024 which will provide greater multimodal and flexible journey options and SPT is consulting on the future of regional bus services, including a franchising option (that would require greater government funding). Finally, SPT had been appointed by GCR to lead on the "case for investment" for Clyde Metro to be completed by early 2026.
- 5.4 **Valerie Davidson** noted that Transport Scotland (TS) had cut to zero SPTs capital grants for 2024/25; down from £19.5m (Subway modernisation) and its general capital grant of £10/15m while SPT may even further cuts by way of future TS decommitments.
- 5.5 **Valerie Davidson** explained that Clyde Metro was a huge opportunity to take GCR's public transport network "to a new level" on a par with European cities. Clyde Metro is a *programme*, not a single, modal project and should be viewed as a regional asset of tangible value to business, investors, citizens, and visitors. It's a vision for a truly integrated, sustainable transport network.
- 5.6 **Valerie Davidson** made several "asks" of the GEL Board. Including: for the GEL Board and Members to "talk up" GCR's existing transport assets (largest fixed rail network outwith London), the on-going "non-closure" investment in the Subway (50% of whose users are non-Glasgow residents who use it as a vital link) and help SPT recover its £40m of lost capital funding. **Valerie Davidson** asked that GEL Board/Members be an advocate(s) for public transport and the economic opportunity presented by Clyde Metro as a once in a generation opportunity to create a world-class transport network for a world-class city region.
- 5.7 **Professor Sir Jim McDonald** thanked **Valerie Davidson** for her presentation and noted that from the outset Glasgow Economic Commission viewed Connectivity as a vital element to Glasgow's economic success. **Professor Sir Jim McDonald** invited questions/comments from GEL Members.
- 5.8 **Guy Jefferson** noted that he leads a private sector group within Sustainable Glasgow and that its members would have an ongoing interest in the progress of public transport and Clyde Metro and invited **Valerie Davidson**/SPT to engage with the group. **Stuart Patrick** noted that the policy focus on shifting people from car to public transport use required visible improvements in public transport services (eg Subway opening times) to succeed. (**Valerie Davidson** noted that the Subway modernisation would enable the adoption of a new Operating Model that would enable improvements). **John Howie** noted that communication from SPT on relevant data points could help Members

advocate better for public transport. **Andy Cliffe** welcomed the presentation and noted that Glasgow Airport's plans would see c. 15,000 jobs based at the airport: his issue was how to get that volume of people to/from the airport in a more sustainable way. **Andy Cliffe** also asked whether SPT took an open source approach to data to enable innovation in transport information services (as is the case in London)? **Peter Duthie** said that the events sector relied heavily on the public transport network to "move folks around" and **Jane Martin** said that she would be happy to speak with **Valerie Davidson** about SPT's prospective plans for a West Street transport interchange.

- 5.9 **Professor Sir Jim McDonald** thanked **Valerie Davidson** for her presentation which had sparked a lively and engaged discussion. **Professor Sir Jim McDonald** invited **Valerie Davidson** to give GEL crisp "asks" and to consider what data SPT might usefully share with GEL to help it advocate for public transport services and investment across the city region and said that the co-Chairs would discuss when next to invite SPT to update the Board on transport matters – it was anticipated that **Valerie Davidson** would be invited to future GEL Board meetings to continue the strategic engagement.

6 GEL Inward Investment Pipeline

- 6.1 **Cllr Susan Aitken** invited **Anne Murray** to update the meeting on a request at the previous GEL Board on a status report on the GCR inward investment pipeline.
- 6.2 **Anne Murray** spoke to the paper circulated with the agenda that outlines the current GCR inward investment pipeline and to a short presentation that was circulated to Members after the meeting. **Anne Murray** noted that the paper draws together Invest Glasgow and SDI data using SDI status system. The pipeline shows a spread of inward investment across sectors, with the US and UK the largest source regions for investment. **Anne Murray** noted that the Middle East is not a large source region given the (smaller) scale of current investment propositions.
- 6.3 **John Howie** noted the close link between what we say Glasgow is good at (Advanced Manufacturing, Financial Services etc.) and the investment we attract. **David Bunton** asked whether the pipeline includes new investment as well as expansions by existing companies (**Anne Murray** confirmed it did). **Andy Cliffe** asked whether the pipeline included property investment in, for example, building repurposing and the increase in lab services use in city centres (eg Docklands). **Jane Martin** noted that SE is commissioning a Lab Masterplan for GCR following the indicative study by Ryden for Invest Glasgow. **Stuart Patrick** said the importance of the US to inward investment only reinforced the need to focus on securing direct US flights from Glasgow Airport.
- 6.4 **Professor Sir Jim McDonald** thanked **Anne Murray** for her update and noted her imminent retiral. On behalf of the co-Chairs and the Board he wished **Anne Murray** well in her retirement and led the Board in a round of applause.

7 AOM / DONM

- 7.1 **Professor Sir Jim McDonald** noted the intention to set a date in early June to allow the GEL Board to be updated on the Investment Zone proposition.
- 7.2 There being no further business, **Professor Sir Jim McDonald** closed the meeting.