Item 7

17th November 2026

Glasgow City Region Cabinet

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Report by Kevin Rush, Executive Director of Regional Economic Growth

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Regional Empowerment Draft Framework

Purpose of Report:

To present the draft Glasgow City Region Regional Empowerment Framework, setting out the powers, investment and delivery arrangements proposed for Glasgow City Region, and to seek Cabinet approval for its publication for consultation.

Recommendations

Cabinet is asked to:

- note the draft framework at Appendix 1;
- note the proposed targeted and open consultation and ministerial engagement, with a final framework returning to CEG in February 2027 and Cabinet in March 2027; and
- approve publication of the draft framework for consultation.

1. Background

1.1 Cabinet has previously agreed that Glasgow City Region (GCR) should develop a detailed proposition for enhanced regional empowerment, following the First Minister's commitment to introduce enabling legislation that would allow regional partnerships to obtain legal status and access a menu of devolved powers. This is that framework. The agreed objective remains to prepare a final detailed proposal by March 2027.

1.2 The previously reported timeline provided for a draft framework to be presented to the Chief Executives' Group (CEG) and Cabinet in November 2026, following workshops with both groups. Feedback from those sessions has been incorporated into the draft framework at Appendix 1. A Key Messages document and proposed Q&A are included as Appendices 2 and 3 respectively.

2. Draft framework

2.1 This framework sets out the devolution ambition for GCR: to have an integrated financial settlement with devolved powers, budgets and responsibility from the national level which empower the region to make joined up investment decisions on the issues which most affect the economy.

2.2 The framework seeks the powers, funding and delivery capacity to advance inclusive growth. Its priorities are more people in good jobs, investment reaching communities experiencing poverty and inequality, and better public services.

2.3 The proposition builds on the eight councils' partnership and delivery experience. It seeks devolution from central government, not transfers from local authorities. Strategic decisions should reflect how the regional economy operates: people travel to work, businesses operate and investment crosses council boundaries.

2.4 The proposed model is a single council-led regional body bringing together skills, transport, housing, regeneration and economic development. The eight councils would lead collectively through an expanded Cabinet, with separate elected-member scrutiny, transparent reporting and consultation on effective governance. A mayor is not proposed.

2.5 A permanent regional organisation would provide the capacity and authority to borrow, manage investment and assemble land, subject to agreement on the necessary legal powers. The model combines stronger delivery capacity with clear democratic accountability.

2.6 The framework proposes a ten-year investment programme with an illustrative ambition of around £7.5 billion. A proposed Good Growth Fund would attract external investment, including from pension funds. This is a proposition to develop with government, not an agreed funding package.

2.7 Coordinated, long-term investment would reduce reliance on individual funding rounds. Planning housing, regeneration alongside skills and transport would connect investment with employment opportunities, employers, colleges and universities

2.8 The financial model would support infrastructure investment ahead of development, reducing dependence on successive funding rounds. A council-led model could use councils' capital borrowing powers within prudential affordability limits, hold reserves and carry funding forward. Repayments could be spread over time, with agreed arrangements to retain and reinvest development returns.

2.9 A new regional body would not automatically inherit council financial powers. Agreements must establish who borrows, repays, holds reserves and retains returns. Safeguards must include secure repayments, clear responsibility for risk and agreed limits on councils' exposure. Funding conditions must support multi-year delivery.

2.10 GCR has been leading reform since the establishment of the City Deal and this proposition reflects the next stage of this. A standing regional reform programme would bring councils and national government together to determine which nationally delivered responsibilities, including skills, transport and economic development, could be exercised more effectively at regional level. Powers, budgets and accountability must move together.

2.11 Dedicated staff, clear delivery responsibilities and elected-member oversight would make reducing duplication, improving services and investing in prevention continuing responsibilities, rather than activities dependent on individual pilots or short-term programmes.

2.12 A proposed multi-year prevention fund would support sustained change, with arrangements to retain and reinvest savings. These must address cases where one organisation incurs the cost and another receives the financial benefit. This is funding prevention, not borrowing to meet day-to-day service costs.

2.13 Employment support provides a practical application. Pursuing regional Department for Work and Pensions employment support following the review of young people not in education, employment or training would provide an opportunity to bring skills, relevant health and transport services together around residents' needs and improve access to employment.

2.14 Early opportunities include seeking devolution of the Local Innovation Partnerships Fund, testing a regional approach to skills, progressing proposals for urban development corporation powers, and aligning national agency funding and expertise with regional priorities.

2.15 These remain proposals for discussion with government, not agreed transfers of powers or resources. They provide a practical basis for early implementation while the associated financial settlement and governance arrangements are developed.

3. Wider policy context

3.1 The Scottish Government's Programme for Government proposals for local government reform envisage regional and community authorities, but have been presented as a starting point for discussion rather than an agreed structure. The GCR proposition has been in development for a significantly longer period and can be delivered without the need for wider reorganisation. The focus of this proposition is on joining up powers, resources and delivery, with devolution down from national government.

3.2 Andy Burnham's Motherwell speech on 16 October called for greater empowerment of Scotland's regions. Following his meeting with John Swinney in Glasgow on Friday 30 October, joint work by UK and Scottish Government officials was announced to explore regional empowerment, reindustrialisation and growth. This creates an opportunity to advance GCR's proposition through constructive engagement with both governments.

4. Next steps

4.1 Subject to Cabinet approval, the draft framework will be published for consultation in November 2026, with consultation remaining open until mid-February 2027. Publication will establish the basis for engagement with partners and both governments on the proposed draft framework. It does not constitute agreement to a final devolution settlement.

4.2 Consultation will combine targeted engagement with all eight local authorities through their democratic and officer arrangements, both governments, businesses and partners, with an associated open public consultation published online. This will help identify where powers, budgets and accountability should best sit to deliver the framework's ambitions. This will include seeking views on which responsibilities should remain national, which could be devolved to the region, and how funding and delivery should align with regional priorities. Views will also be sought on funding safeguards, partnership principles, the expanded Cabinet, separate scrutiny and responsiveness to local priorities.

4.3 Subject to Cabinet approving publication of the draft framework for consultation, it is proposed that the Chair of Cabinet write to the First Minister and Prime Minister to seek early engagement with both governments

4.4 This ministerial-level engagement with the Scottish and UK Governments will seek agreement to develop the proposition jointly: identifying funding and responsibilities suitable for a regional settlement, shaping an initial investment programme, and distinguishing changes possible under existing powers from those requiring legislation. Engagement will seek to connect GCR's work with the joint government process announced in Glasgow.

4.5 Following the close of consultation in mid-February 2027, consultation findings and progress on government engagement will inform a revised framework for CEG consideration in February, before submission of the final framework to Cabinet in March 2027. The report will set out how feedback has shaped the proposition and the decisions required on powers, finance, governance and implementation. The detailed timetable will allow consultation responses to be considered before the revised framework is presented.

4.6 This regional empowerment proposition has been prepared by KPMG on behalf of Glasgow City Region. It draws on collaboration between seven workstreams and the associated Oversight Group, the regional Chief Executives' Group, and Glasgow City Region Cabinet. It brings together contributions from across this process and should not be taken as necessarily reflecting the views or position of any single individual or group. Glasgow City Region Cabinet and its constituent local authorities remain the ultimate decision-making bodies, with responsibility for considering and determining the proposition's final content and any decisions arising from it.

4.7 At this stage, Cabinet is being asked to approve publication of the draft framework for consultation, not to agree a final proposition. The draft does not represent the final position of any of the partners involved.

5 Recommendations

5.1 Cabinet is asked to:

- note the draft framework at Appendix 1;
- note the proposed targeted and open consultation and ministerial engagement, with a final framework returning to CEG in February 2027 and Cabinet in March 2027; and
- approve publication of the draft framework for consultation.