

GLASGOW CITY REGION CABINET.

Item 1
9th May 2023

Minutes of meeting held on 14th February 2023 by video conference.

Present: Councillor Susan Aitken (Chair), Glasgow City Council; Councillor Gordan Low, East Dunbartonshire Council; Councillor Owen O'Donnell, East Renfrewshire Council; Councillor Stephen McCabe, Inverclyde Council; Councillor Jim Logue, North Lanarkshire Council; Councillor Iain Nicolson, Renfrewshire Council; Councillor Joe Fagan, South Lanarkshire Council; and Councillor Martin Rooney, West Dunbartonshire Council.

Apologies: L McMillan, East Renfrewshire Council; K Rush, Glasgow City Region; D Murray, North Lanarkshire Council; A Russell, Renfrewshire Council; and P Hessem, West Dunbartonshire Council.

Attending: A M Carr (Clerk); G Cornes, East Dunbartonshire Council; C McAuley, East Renfrewshire Council (substitute for L McMillan); A O'Donnell, C Edgar and C MacKenzie, Glasgow City Council; J Allen, C Keaveny, P Kilby, M McNally, V McNeice, A Robertson and J Thompson, Glasgow City Region; L Long, Inverclyde Council; L Noble, North Lanarkshire Council (substitute for D Murray); B Walker, Renfrewshire Council (substitute for A Russell); C Sneddon, South Lanarkshire Council; A Douglas, West Dunbartonshire Council (substitute for P Hessem); D McNulty, Commission for Economic Growth; S Tait, Clydeplan; and S O'Hagan, Audit Scotland.

Minutes of previous meeting approved.

- 1** There was submitted and approved the minutes of 8th November 2022.

Minutes of Glasgow City Region Education Committee noted.

- 2** There was submitted and noted the minutes of the Glasgow City Region Education Committee of 22nd November 2022.

2021/22 annual audited accounts approved etc.

- 3** With reference to the minutes of 16th June 2022 approving the Glasgow City Region (GCR) annual unaudited accounts for year ended 31st March 2022, there was submitted the annual audit report 2021/22 by Audit Scotland, together with the Cabinet's audited annual accounts for the period ended 31st March 2022, advising

- (1)** of Audit Scotland's findings from the 2021/22 audit of the GCR Cabinet, as detailed in the annual audit report; and

- (2) of the financial performance of the GCR Cabinet for the period from 1st April 2021 to 31st March 2022, including the income and expenditure incurred in the year relating to the provision of services to the Cabinet.

After consideration and having heard Mr S O'Hagan, Audit Scotland, the Cabinet

- (a) noted
 - (i) the contents of the annual audit report 2021/22; and
 - (ii) that the Independent Auditor's report was clear of qualification; and
- (b) approved for signature the audited annual accounts for 2021/22.

Glasgow City Region Economic Briefing – Presentation noted etc.

4 The Partnership heard a presentation by Andrew Robertson, Intelligence Hub Manager, Glasgow City Region (GCR), highlighting:

- (1) the background to the GCR Intelligence Hub, as well as its main objectives and functions;
- (2) that the work of the Hub covered all aspects of the economy but primarily focussed on the elements which local and regional government had a role to play;
- (3) that the GCR had a very broad based service economy, with approximately one third of Scotland's total economy measured by the key metrics of jobs, businesses and Gross Value Added (GVA);
- (4) the economic outlook in terms of inflation, wages and Gross Domestic Product;
- (5) that the Centre for Cities had developed a cost of living tracker which showed how the cost of living was affecting cities differently, with workers in Glasgow, on average, £143 per month poorer in October 2022 than they were the previous year;
- (6) that it was estimated that the average household energy bill would reach £3,000 from April 2023, and that the Federation of Small Businesses had warned that soaring energy bills were fuelling the cost of doing business, with the hospitality sector being especially vulnerable;
- (7) that the deteriorating macro environment had taken its toll on the construction industry with access to credit now being cited as a key challenge, with Faithful and Gould having forecast that inflationary pressures would stay high for 2023, and that construction output was expected to drop by 3.9% before recovering in 2024;

- (8) that headline estimates of employment, unemployment and economic activity were all similar to those published last month, however, there were some signs of change with economic activity due to ill health and early retirement appearing to be falling slightly; and
- (9) how GCR had done relatively well over a series of key economic metrics.

After consideration, the Cabinet

- (a) thanked Mr Robertson for his presentation and further noted a range of suggestions from Cabinet Members regarding potential areas of work that the Cabinet might wish to take forward, in conjunction with the Intelligence Hub and the Programme Management Office (PMO);
- (b) heard Jane Thompson provide an update on ongoing pieces of work that the PMO was currently undertaking in respect of Vacant and Derelict Land and Electric Vehicle Charging Infrastructure; and
- (c) agreed that the PMO arrange an informal session for Cabinet Members to be convened out-with the normal cycle of meetings, in order to discuss how best to progress the various proposals that had been highlighted during the meeting.

Quarterly performance report noted – Change Control request approved etc.

5 There was submitted a performance report by the Director of Regional Economic Growth for Quarter 3 2022/23 providing an overview of the progress at 31st December 2022 for the City Region Team workplan, the Regional Economic Strategy Action Plan and the City Deal Programme.

After consideration, the Cabinet

- (1) noted
 - (a) the report;
 - (b) a verbal update by Jane Thompson regarding the recent disappointing announcement by UK and Scottish Government ministers that the Glasgow City Region Clyde Green Freeport bid had been unsuccessful and that the 2 new Green Freeports chosen in Scotland were Inverness and Cromarty and Firth and Forth, advising that she and Kevin Rush on 2nd February 2023, had met with both Governments to obtain feedback on the Glasgow City Region bid, summarising that the bid had been considered very strong and appointable and that following that meeting, it had been agreed that a future discussion would take place on how both Governments could assist in taking individual elements of the bid forward; and

- (c) that an update on the progress regarding the Clyde Mission initiative would be submitted to the next meeting of this Cabinet;
- (2) agreed
 - (a) that the Chief Executives' Group scheduled for 27th April 2023 be given delegated authority to approve the Local Evaluation Framework, as detailed in the report; and
 - (b) to the Programme Management Office undertaking a procurement exercise for an online shared portal to monitor and manage delivery of Community Benefits for the City Deal Programme, as detailed in the report; and
- (3) approved the Change Control Requests in respect of Glasgow City Council's City Centre Enabling Infrastructure Integrated Public Realm and South Lanarkshire Council's Larkhall Community Growth Area, as detailed in the report.

Programme Management Office budget and member authority recharges 2023/24 approved.

6 There was submitted a report by the Director of Regional Economic Growth proposing a Glasgow City Region Programme Management Office (PMO) budget for 2023/24, together with member authority recharges for 2023/24, as detailed in appendix 1 of the report, advising

- (1) that the total budget for 2023/24 was £1,750,989 which was an increase of £246,191 from 2022/23, an explanation of which was provided in the report.
- (2) that the total member contributions for 2023/24 amounted to £1,567,945 which was an increase of £220,507 from 2022/23, principally due to:-
 - (a) increased payroll costs of £132,507 including the Head of the Shared Prosperity Fund and the proposal outlined in Section 4 of the report to employ 4 additional full-time staff in the PMO; and
 - (b) contributions to Climate Ready Clyde of £88,000 now integrated into the Glasgow City Region PMO funding;
- (3) that at the Finance Strategy Group on 31st January 2023 it had been agreed to recommend to this Group that the increased member contributions, outlined at paragraph (2) above, be funded from any interest income accruing from grants received in 2022/23, with any residual costs after this offset being funded from the carry forward balances, which would ensure that the member authorities did not suffer an increase in contributions from 2022/23 to 2023/24;
- (4) of an update in respect of the 4 Graduate Assistants within the PMO, as detailed in the report; and

- (5) that the Glasgow City Region carried forward balance at the start of 2022/23 had amounted to £1.1m and by the end of the year it was anticipated that this would have reduced to around £0.6m, however, the additional carry forward for 2022/23 of £0.4m (including unbudgeted estimated grant interest) would keep the total value at a similar level and this balance was expected to fall during 2023/24 as more commitments were realised.

After consideration, the Cabinet

- (i) noted the report; and
- (ii) approved the Glasgow City Region PMO budget and member recharges for 2023/24.

Member Authority infrastructure grant allocations 2022/23 approved.

7 There was submitted a report by the Director of Regional Economic Growth regarding a proposed interim allocation of the Infrastructure Grant 2022/23 to each member authority, advising

- (1) that as a result of the changes proposed by the Scottish Government and the associated discussions around the legal wording of the Grant Offer Letter, the actual grant was to be paid significantly later than usual and that £48m was anticipated to be paid to the Glasgow City Region in the next few weeks, however, due to the last 2 years accelerated grants the £48m grant exceeded expenditure to date, necessitating an interim, rather than final payment in 2022/23;
- (2) that the final payment of grant for 2022/23 would be deferred until the actual expenditure for quarter 4 was realised and reported, resulting in that payment being made in 2023/24;
- (3) that the approach in relation to allocation of grant in 2022/23 included in the report was based on member authority's cumulative actual spend levels as at 30th September 2022 combined with the percentage share of the overall grant allocation and this approach was consistent with that for the main 2020/21 and 2021/22 allocations considered by the Finance Strategy Group;
- (4) that Grant funds allocated to member authorities could not be in excess of eligible expenditure incurred; and
- (5) of the proposed Interim Infrastructure Grant Allocations for 2022/23, as detailed in the report.

After consideration, the Cabinet approved the 2022/23 Infrastructure grant allocations, as detailed in the report.

Establishing Glasgow City Region's Anchor Network – Update noted and membership approved.

8 There was submitted a report by the Director of Regional Economic Growth providing an update on plans for a Glasgow City Region (GCR) Anchor Network and associated Anchor Accelerator Summits, advising

- (1) of the background to the proposed creation of an Anchor Network to provide senior leadership and momentum for building community wealth in the regional economy, as detailed in the report;
- (2) that the Anchor Network would be a mission-based group of Chief Executive or Director level members from across a broad range of 'anchor' organisations within the GCR and collectively, these organisations had a huge economic footprint in the GCR through their roles as employers, procurers, investors, and owners of land and property, and it was intended that the Network would bring cohesion, co-operation, and collaboration so that their combined endeavour to build community wealth was greater than the sum of the individual parts;
- (3) that the Network would be brought together twice a year for an 'Anchor Accelerator Summit', the first of which would be held in Spring 2023, with the Summits being action-focused with a clear ask of the members at each session, which would be followed up at the subsequent session, thereby accelerating community wealth building activity;
- (4) that a proposed mission, purpose and expectations document would be circulated in advance of the initial meeting, leaving the majority of the Summit to be dedicated to actions to be taken, and each Summit would be short and sharp, no longer than 90 minutes, with an agenda and papers circulated in advance;
- (5) of a proposal that there be a rolling chair format for the meetings to foster shared ownership, with the Glasgow City Region Programme Management Office providing the required administrative support;
- (6) that the Scottish Government had published a consultation on a draft Community Wealth Building Bill on 31st January 2023, the consultation period of which would close on 25th April 2023, and the Network would, as an initial task, have a role in responding to this consultation on behalf of the Region, as detailed in the report;
- (7) that in terms of further actions, having the Anchor Network sign up to support making Glasgow City Region a Living Wage Place would be important and there was also the potential to propose an employment and good work charter to support fair and just labour markets in the Region, or similar, which the Programme Manager was currently exploring; and
- (8) of a list of the proposed members to be invited to the first Anchor Accelerator Summit, as detailed in appendix 1 of the report.

After consideration, the Cabinet

- (a) noted the report; and
- (b) approved the proposed membership of the Anchor Network, as detailed in the appendix to the report.

Regional Economic Strategy – Green Business Support Programme – Position agreed.

9 There was submitted a report by the Director of Regional Economic Growth providing the Partnership with an update on the recent development of the Green Business Support Programme in the Glasgow City Region (GCR), advising

- (1) that the GCR Regional Economic Strategy (RES) Action Plan, approved by this Cabinet in August 2022, had contained an initial 12 actions, of which Number 9 focussed on Green Business Support (GBS), as detailed in the report;
- (2) that the GCR Investment Plan for the UK Shared Prosperity Fund (UKSPF) had identified that all 8 Member Authorities (MAs) had intended to deliver GBS and whilst there was a commitment to deliver activity, few had had experience of delivering this type of support in the past;
- (3) that the GCR Programme Management Office (PMO) had co-ordinated a number of workshops with Business Support representatives and partners from the GCR, and following a discussion, a definition of GBS in the GCR was proposed as follows, namely, “GBS in GCR is a range of advice, expert help and funding to aid businesses to achieve cost savings whilst improving their sustainability, resilience and management of waste”;
- (4) that, having provided the context in which the support would be delivered, partners then considered the support that would be available and any direct support would need to take into account existing interventions provided by other public sector agencies, including Scottish Enterprise and Zero Waste Scotland/Business Energy Scotland;
- (5) that, following discussion with MAs and stakeholders, 3 core elements of GBS would be offered by MAs across the GCR, as detailed in the report;
- (6) that Glasgow City Council (GCC) was currently trialling specific Business Adviser training, accredited by the Institute of Environmental Management and Assessment (IEMA), and GCC was in the process of evaluating the training programme, to determine whether it should be rolled out across all advisers;
- (7) that the GCR group had agreed that supporting companies to undertake an Energy Audit as part of their journey to a net-zero transition plan was a critical part of the process;

- (8) that MAs, either through current programmes of support, or utilising UKSPF allocations, offered grant funding support to small and medium sized enterprises (SMEs) to help with their transition to net-zero, and through discussion, all MAs had now committed to offer at least £10,000 worth of grant funding support to SMEs; and
- (9) of the proposed next steps, that would include the GCR working with MAs to develop a communication programme around GBS, ensuring a consistent regional offer with local delivery.

After consideration, the Cabinet agreed

- (a) the definition of GBS in the GCR; and
- (b) the next steps to continue to develop and refine a consistent regional GBS offer in the GCR.

National Planning Framework 4 – Position noted.

10 There was submitted a report by the Manager, Clydeplan, regarding an update on the adoption of the National Planning Framework 4 (NPF4) by Scottish Ministers, advising

- (1) that NPF4 had been in development by the Scottish Government for over 2 years and had been the subject of public consultation on a Draft in November 2021 and Parliamentary scrutiny in a Revised Draft which had been laid in the Scottish Parliament in November 2022;
- (2) that following the period of Parliamentary scrutiny, on 11th January 2023, the Scottish Parliament had approved NPF4 and Scottish Ministers had adopted and published NPF4 on 13th February 2023, following which there would be a period of 6 weeks for parties to lodge any legal challenge;
- (3) that following the adoption of NPF4, the Strategic Development Plan for the Glasgow City Region would cease to be in effect and the new statutory Development Plan would now comprise the National Planning Framework and Local Development Plan;
- (4) of the 3 parts contained within NPF4 and the 6 overarching principles, all as detailed in the report;
- (5) of the priorities for the central area in relation to the place agenda, as detailed in the report;
- (6) of the National Developments that would also support delivery of the spatial strategy for the GCR, as detailed in the report;

- (7) that the Indicative Regional Spatial Strategy which had been endorsed by the GCR Regional Partnership and submitted in June 2020 by Clydeplan to support the development of the Draft NPF4, the regional spatial themes (housing, vacant and derelict land and sustainable connectivity) and key elements of the Spatial Investment Framework (Clyde Mission, Green Network, MGSDP), had all been reflected in NPF4; and
- (8) that following the adoption of NPF4, the GCR planning authorities would be considering the implications of the national planning policies and the opportunities for taking a consistent approach to their interpretation, implementation, monitoring and evaluation through the Local Development Plan and Development Management processes.

After consideration, the Cabinet noted

- (a) the adoption of the NPF4 by Scottish Ministers on 13th February 2023; and
- (b) the timeline for the publication of Regional Spatial Strategy guidance by the Scottish Government in support of the delivery of the NPF4.

Glasgow City Region Governance Review Phase 2 – Proposed scope agreed.

11 There was submitted a report by the Director of Regional Economic Growth setting out the proposed scope for the Glasgow City Region Governance Review Phase 2, advising

- (1) that in June 2020, the Chief Executives' Group (CEG) had agreed to a comprehensive review of the City Region's governance structures which had been prompted by conditions set out in the Gateway Review One approval letter and by other complementary work including the audit of governance effectiveness;
- (2) that the primary purpose of the review had been 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;
- (3) that the review had been split into 2 stages with the Phase 1 Report presented to the CEG on 26th November 2020 and thereafter approved by this Cabinet on 8th December 2020, with Phase 1 primarily focused on the working arrangements of the existing structures in order to identify operational improvements which could be made to these arrangements, and that since December 2020, the Programme Management Office (PMO) had sought to implement all Phase 1 recommendations, with the Phase 1 Report also noting that further change would be required to structures following the development of the Regional Economic Strategy;

- (4) of the proposed scope of the Phase 2 wider review which had been set out in a report to this Cabinet on 8th December 2020, including:-
- (a) ongoing discussion and consideration by this Cabinet of additional powers for the Region;
 - (b) changes which might 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;
 - (c) integration of the Clydeplan Authority staff into the wider Regional team;
 - (d) arrangements for private sector engagement following the disbanding of the Economic Leadership Board at the end of 2019;
 - (e) the role and membership of the Independent Commission on Economic Growth; and
 - (f) the ongoing development of the Clyde Mission initiative and its associated governance arrangements;
- (5) of a number of key developments since December 2020 of relevance to each of the above matters outlined at paragraph (4) above, as detailed in the report; and
- (6) that following approval of the proposed scope as set out in the report, the PMO would develop and present to the next meeting of the CEG, a proposed approach and timetable for the completion of the Glasgow City Region Governance Review Phase 2.

After consideration, the Cabinet agreed the proposed scope for the Glasgow City Region Governance Review Phase 2, as detailed in the report.

Date of next meeting noted.

12 The Cabinet noted that the next meeting would take place on Tuesday, 9th May 2023 at 1000 hours.