

**Local Government and Communities Committee****City Region Deals****Submission from Montagu Evans**

Dear Sir/Madam,

**Response to the Scottish Parliament's Local Government and Communities Committee's Call for Written Evidence on City Region Deals**

We write in response to the Scottish Parliament's consultation on the City Region Deals, which were first introduced to Scotland in 2014. Montagu Evans is a large surveying and planning consultancy firm, dealing with hundreds of land and property transactions each year and advising on a number of large scale residential, mixed use retail, commercial and renewable development projects. We represent a variety of landowner and corporate clients, and are therefore well placed to provide a practitioners perspective on the impact of the City Region Deals.

Please note that the comments provided are our own, and do not represent any particular client position.

**Overview**

We are aware that City Region Deals are bespoke packages of funding and decision-making powers negotiated between central government and local authorities. The first wave of City Deals were established in 2012 across 8 English cities, with the first Scottish deal being agreed in August 2014 for the Glasgow and Clyde Valley region. A number of deals have since been secured for Aberdeen, Edinburgh, Stirling, Inverness and the Tay region.

As the most progressed City Region Deal, we have direct experience with the projects being delivered as part of the Glasgow and Clyde Valley City Region Deal. As noted, this deal was established in 2014, providing £1.13bn of infrastructure funding to support projects across the eight local authority areas (East Dunbartonshire, East Renfrewshire, Glasgow City, Inverclyde, North Lanarkshire, Renfrewshire, South Lanarkshire and West Dunbartonshire). We would however note that although the Glasgow and Clyde Valley Deal is the most progressed, it should be acknowledged that it takes time to deliver and is still in the early stages. Therefore, a focus will be placed on how the funding is being distributed and how the projects identified are being brought forward.

In summary, we fully support City Region Deals and emphasise the need to continue to promote a proactive local authority approach in order to ensure that full benefits of

the deals are secured. It is also vital that the Scottish Government ensure that local authorities are appropriately resourced in order to effectively manage and deliver the projects identified, which has been key criticism of the current funding regime.

### **Glasgow and Clyde Valley City Deal**

Since the announcement of the Glasgow and Clyde Valley City Deal in 2014, each of the eight member authorities have outlined a number of projects in order to deliver key infrastructure to support long term economic growth. Overall the deal aims to achieve the following:

- Improved infrastructure;
- Growth in life sciences;
- Supporting business innovation; and
- Tackling unemployment.

Renfrewshire is the most advanced in delivery, with three high profile projects which are currently being delivered through the deal in Renfrewshire. These include the Clyde Waterfront and Renfrew Riverside Scheme, the Glasgow Airport Investment Area and the Airport Access Project. These are projects which would not have been delivered without the City Region Deal, and as outlined below, will provide significant investment opportunities in the future

**Clyde Waterfront and Renfrew Riverside Scheme:** A £78 million project which will see the delivery of a new 'opening' bridge across the River Clyde along with the construction of the Renfrew North Development Road. The proposed bridge will link the communities of Renfrew and Yoker. The new infrastructure to the south of the River Clyde will open up areas of derelict and underused land for development, and will transform the area into an attractive business and residential destination. This has stimulated interest in the area for developers and clients.

**Glasgow Airport Investment Area (GAIA):** A £51 million project which aims to deliver infrastructure and environmental improvements in order to enable the expansion of the Airport. The project focusses on creating a world class business location and will deliver infrastructure improvements such as the re-alignments of Abbotsinch Road, a new bridge across the White Cart and a new "Gateway" route between Paisley Town Centre and the Airport. We strongly believe that these improvements will stimulate commercial interest in the surrounding areas, for example at Paisley Harbour and Westway Business Park which are in desperate need of investment. Again this has directly stimulated client and developer interest in the area.

**Airport Access Project:** This is the largest of the three main projects in Renfrewshire, totalling investment of £144 million. The project will provide a direct

link between Glasgow Central Station and Glasgow Airport, via Paisley Gilmour Street. The scheme is scheduled to be operational by 2025, with further details of the plans to be published at the end of the year.

### **Delivery & Long Term Impact**

With regards to the three projects above, Renfrewshire Council have commissioned Causeway Geotech Limited to carry out overwater ground investigations in order to gather geotechnical and environmental information on the sites. A number of Proposal of Application Notices for the new 'opening' bridge, White Cart Bridge and the Renfrew North Development Road were also submitted on 17<sup>th</sup> March 2017, starting the statutory planning procedures for the project. This follows on from numerous consultation events and Committee meetings which have carefully considered the proposals and have provided sufficient opportunity for the public to get involved. Given that the Glasgow and Clyde Valley City Deal was only agreed in 2014, the local authorities and partnerships who have been involved in the projects should be applauded for the timely manner in which they have progressed the proposals, which we firmly believe will deliver significant benefits to the region. For example, the land in and around the proposed Clyde Crossing has lay vacant for a number of years and has gained little market interest. The delivery of the proposed infrastructure will transform the area into an attractive business location, making it an attractive investment location in the future. Without the City Region Deal, the land would likely have remained derelict for a number of years due to the lack of infrastructure and development opportunities.

The Glasgow Airport Investment Area project will also provide new infrastructure around the airport, with the aim of creating a new business hub and international gateway. Given the national importance of Glasgow Airport, this project is key and will provide the means to kick start the expansion of the airport, which has been proposed for a number of years. The funding provided by the City Deal will allow for much needed infrastructure which will attract further investment in the area. We would also note that although a Masterplan was produced by Glasgow Airport in 2011, no notable proposals have since come forward. The City Deal has the potential to support the delivery of the vision set out in the Glasgow Airport Masterplan.

The Glasgow Airport Access Project proposes the delivery of a tram link between Glasgow Central Station and the Airport, via Paisley Gilmour Street. The need for this link to the airport was identified over ten years ago, however proposals have not been delivered for numerous reasons. Previous plans for the rail link were rejected by Scottish Ministers in 2009, at which point £29 million had already been spent on progressing the proposals. This was met by a lot of frustration, as the project was seen to be vital to the future success of Glasgow Airport. Funding provided through the City Region Deal will finally allow for the proposals to be delivered, without the

need for the local authority to undergo the long process of securing high amounts of funding from elsewhere. These proposals will also tie in with the Glasgow Airport Investment Area project, reflecting the well-coordinated approach which is being adopted through the City Region Deal.

### **Moving Forward**

The consultation asks participants *“Are City Region Deals on track to deliver local growth, innovation and infrastructure schemes which would not have otherwise been delivered?”* As highlighted above, the Glasgow and Clyde Valley City Deal is set to deliver three major infrastructure projects which have been stalled in the past for various reasons. Furthermore, a number of other projects, such as the Sighthill Transformation Regeneration Scheme is also being progressed by Glasgow City Council, which will redevelop an area of Glasgow which has struggled to attract private investment. Here, the Council have taken a proactive approach and have cleared the site and are marketing plots for a mix of uses.

However, in order to ensure that the City Region Deals can deliver in the future, we would highlight the need to allow participating bodies to progress without unnecessary intervention. Whilst reviews are useful in monitoring progress, given the size and importance of the projects being proposed through the City Region Deal’s, local authorities should be given the time required to deliver. We believe that this review is premature, and has the potential to stall the Deal’s should further intervention occur. It is also important to note that delays in the delivery of public sector infrastructure, through mechanisms such as the City Deal, are often down to the CPO process. We would suggest that it may be more beneficial for the Scottish Government to review the CPO process rather than the City Deal mechanism to allow for faster, more effective infrastructure delivery.

The consultation also asks *“Are regions not covered by City Region Deals able to access equivalent funding and support for growth, innovation and infrastructure schemes?”* City Region Deals are in place to strengthen city regions and it is therefore not relevant to assess the impact on rural councils who are not relevant to the agreements. Instead, if required, a separate review should be carried out in order to determine how to fund the provision of infrastructure in rural areas.

One of the main purposes of the City Region Deal’s is to lever private sector investment. Whilst we believe that the agreements have the potential to do so, it is important to highlight the importance of local and national planning policy in supporting this. Forthcoming Local Development Plans should recognise and support appropriate development proposals which will come forward as a result of the infrastructure delivered through the City Region Deals. Land allocations should also support appropriate uses in the areas. Furthermore, City Region Deals encourage Local Authorities to operate strategically at a regional level. With the

Scottish Government proposing the removal of Strategic Development Plans as part of the review of the planning system, City Region Deals will become increasingly important in delivering infrastructure.

### **Concluding Remarks**

City Region Deals are great mechanisms which deliver the key infrastructure required to kick start investment in areas which would not typically attract development. The structure of the agreements provides local authorities with the power to deliver important projects without having to rely on the private sector, and promotes effective regional partnership working. The Glasgow and Clyde Valley deal has seen eight local authorities adopt a proactive, coordinated approach which in turn has seen the progression of a number of high profile projects which have stalled in the past. It is therefore our view that City Deals are on track to deliver local growth and significant economic benefits for Scotland. Whilst there have been delays in the delivery of identified infrastructure projects to date, this has largely been down to the complexities associated with the CPO process, and would only be avoidable if the entire system was reviewed.

Moving forward, we would hope to see the approach taken in Glasgow and the Clyde Valley replicated throughout other City Regions. We would also emphasise the need for the Government to give local authorities the time required to deliver the large scale infrastructure projects identified, without unnecessary intervention. We would also hope that Joint Venture approaches with developers and landowners are promoted, giving all participating stakeholders an opportunity to benefit from uplifts in value.

Finally, in order for private sector investment to be levered as a result of the agreements, we would wish to see forthcoming Local Development Plans take account of the City Region Deal proposals. Policy and land allocations should also be geared towards delivering appropriate development which will be stimulated by the provision of the new infrastructure.

I trust that the above is of interest. If you require any further information please do not hesitate to get in touch.

Yours faithfully

**RODERICK MACLEOD  
ASSOCIATE**