

Local Government and Communities Committee

City Region Deals

Correspondence from Glasgow City Region Cabinet to the Convener

7 March 2018

Bob Doris MSP
Convener
Local Government and Communities
The Scottish Parliament
Edinburgh
EH99 1SP

Dear Bob,

Local Government and Communities Committee Findings into City Region Deals

I write on behalf of the Glasgow City Region Cabinet to thank the Local Government and Communities Committee for the work carried out in respect of the Parliamentary Inquiry into City Deals, culminating in the report of findings and recommendations published earlier this year. This report is extremely helpful in supporting the development of the Glasgow City Region Deal.

As I noted in giving evidence to the Committee, we are keen to ensure that the Glasgow City Region Deal is kept under review to ensure that we maximise the opportunities it offers to support the delivery of genuinely inclusive growth in the City Region. Our review of the Programme is focused on three areas:

1. Compliance with HM Treasury Green Book

Following agreement with the UK and Scottish Governments, work is underway to independently review all project Outline Business Cases (OBCs) to identify any areas where augmentation may be required to ensure full compliance with the latest version of HM Treasury Green Book. Based on the findings, Member Authorities will update project OBCs accordingly. Details of changes made to previously approved business cases will be recorded and presented to a future Cabinet meeting for consideration / approval.

2. Inclusive Growth

Cabinet is determined that inclusive growth is placed at the heart of the Glasgow City Region City Deal and as such has formally requested the support of the Commission on Economic Growth in three areas.

- *Developing an Approach to Measuring and Maximising Inclusive Growth in the Delivery of Individual Projects:* The Commission will lead on an innovative pilot

exercise relating to the Glasgow Canal and North City Deal Infrastructure Project. Learning from this will be applied to other City Deal projects.

- *Articulating the Glasgow City Region City Deal contribution towards Inclusive Growth:* Building on the Scottish Government's inclusive growth diagnostic tool, the experience and expertise of the Commission is well placed to work with the PMO, the emerging Intelligence Hub and the Cabinet to provide an assessment of the extent to which the City Deal projects could, as currently articulated, make a contribution towards inclusive growth.
- *Providing Advice on the support required from partners to achieve Inclusive Growth:* The City Deal infrastructure projects do not exist in isolation. Their impact on inclusive growth will, in many instances, rely upon the public services that are put in place around them. The Commission can play a key role in helping to identify / provide advice on actions required from partners to maximise inclusive growth impact.

Central to this will be to identify what Inclusive Growth means in a Glasgow City Region context. A workshop will take place in March to explore this with a number of key stakeholders.

3. Complementary Funding Process

A Complementary Funding process is required to allow the City Deal Infrastructure Fund to be flexible and allow the reinvestment of funding which may become available through project underspend or unexpected factors affecting delivery or indeed potentially through alternative funding streams. The PMO is undertaking scoping work to take this forward. This will involve engagement with stakeholders and take cognisance both of principles set out within the Assurance Framework and the greater focus on Inclusive Growth since the City Deal was signed.

The above activities form the basis of our review. The Cabinet would be pleased to share learning from this with other City Deals underway in Scotland. It should also be noted that this review is not intended to change investment decisions which have already been taken but to ensure that the Programme is fit for purpose as it moves into the delivery phase.

With regards to specific findings within the report, it is worth noting that all GCR project business cases provided detail as to alignment with UK and Scottish government policy. Some include a sustainability case in the form of an environmental impact assessment. With regards to Equality Impact Assessment, the PMO delivered training in 2016 to support member authorities in this area of expertise.

The Assessment Methodology used to select projects as part of the programme is provided in Appendix 5 of the GCR City Deal Assurance Framework which is available on our website. A progress update on the Programme is provided at each Cabinet meeting and includes information in relation to Risk.

The Cabinet welcomes activities to make decisions taken and information on progress, benefits and impacts more accessible. As such, plans are underway to grow social media activities / audience and build on existing activities such as the stakeholder e-bulletin. Details of business engagement sessions held to date are

available on our website and a schedule of future sessions is under development. Cabinet papers and minutes are now available on the City Deal website and social media is used to flag up when new information becomes available.

We are therefore pleased that the Committee report has highlighted a number of issues that we are keen to develop as we ensure that our City Deal delivers the transformational change that will benefit everyone within the City Region.

I hope that this is of interest but please let me know if there is any further information that I can provide.

Yours sincerely

Councillor Susan Aitken