

UK regional development policies in Scotland: principles and prospects

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City and Growth Deals Programme: Key Principles

- City Region Deals and Growth Deals invest in projects that drive regional economic growth and create jobs.
- The City Region Deals and Growth Deals are agreements between the UK Government, Scottish Government and local partners that invest in cities and economically linked regions of Scotland.
- In Scotland, the City Region and Growth Deal programme started in 2014 when the Glasgow Clyde Valley Deal was agreed.
- The Deals also provide opportunities for joint working between the UK Government, the Scottish Government, local authorities and a range of other partners, including universities.



City and Growth Deals: working collaboratively

- At their heart, City Region Deals are about collaboration. They are a tripartite arrangement between the three levels of Government here in Scotland and have brokered a new way for Governments to work together.
- Deals are locally led, with collaborative working between Councils involved in their City Region or Growth Deal.
- Regular communication takes place between officials in each level of government to review and provide feedback on project proposals, discuss timescales, progress and any issues.
- The UK Government predominantly invests in reserved/shared competence areas (e.g. research and innovation and digital), and Scottish Government devolved areas (e.g. transport and infrastructure, skills and education). Devolved projects UK Government have invested in include the Edinburgh Concert Hall, Perth City Hall and the National Tartan Centre.
- Formal processes ensure continued collaboration between governments to deliver and evaluate deal progress: Scottish City Region and Growth Deal Delivery Board (SCRGDD Board) and annual conversations.



Process of delivering a City or Growth Deal

The stages for each Deal are as follows:

1. Announcement that there will be a Deal (has happened for all areas of Scotland);
2. Quantum Announcement, where the value of a deal is agreed and announced;
3. Signing of the Heads of Terms, where the broad principles of which projects we are prepared to support are set out and agreed; and
4. Signing of the Full Deal agreement, when all partners have agreed a funding profile, governance arrangements and a communications strategy.

City and Growth Deals: Achievements so far

- The City and Growth Deal programme has strengthened UK Government's engagement and partnership working with local areas and cooperation between UK and Scottish Governments.
- Deals have boosted cross-local authority working to deliver for regions.
- In total, the UK Government has to date committed over £1.4 billion to support economic development in Scotland through the City & Growth Deal programme.
- City Region Deals now cover all of Scotland's seven cities and Growth Deals have been agreed for Ayrshire, Moray and the Borderlands.



Glasgow City Region City Deal: Unique in Scotland

- The Glasgow Region Deal is an Investment Fund - sometimes referred to as “Gain Share”, which is aligned to 10 similar Investment Funds agreed with cities across England and Wales.
- This means that it operates slightly differently to other deals in Scotland with partners able to use funding to support objectives that meet local needs.
- 8 Local Authorities involved – City of Glasgow, Inverclyde, East Dunbartonshire, East Renfrewshire, North Lanarkshire; Renfrewshire, South Lanarkshire, West Dunbartonshire.



Glasgow City Region Deal: Funding

- Agreed in August 2014 with a total quantum of £1.13 billion.
- This includes £500m each from the UK and Scottish Governments over 20 years in delivered in 5 Year blocks with a further £130m from local authorities.
- Targeted to support three thematic areas - Innovation and Growth; Labour Market; and Infrastructure.
- Regular financial updates are provided to both Governments in annual formal reports and the Deal successfully completed a five year Gateway Review.



Glasgow City Region Deal: Governance

- **Assurance Framework** - In place to support internal governance and delivery.
- **Gateway Review every 5 years** - An independent evaluation of progress and impact, once passed next tranche of funding is released.
- **Annual Report** – Sets out progress, challenges and spend to date and plans for next year.
- **Annual Conversations** - reflects and builds on progress in Annual Report, allows us to agree how any challenges will be addressed or mitigated.
- **GCR Economic Delivery Group** – Examines how the Deal supports economic growth across the Region.
- **Glasgow City Regional Partnership** – Forum for Deal partners to provide updates on projects and progress.

Glasgow City Region Deal: Key Projects

Infrastructure - 21 projects across the region for new roads, bridges and improved transport infrastructure as well as further construction, remediation and public realm works. This investment will help unlock vacant sites in key locations, assisting further housing, retail and commercial development.

Innovation and Business Growth – The Imaging Centre of Excellence brings together world-leading medical research, cutting edge technology and international business investment under one roof, MediCity Scotland Hub for academics, entrepreneurs, clinicians and business support services is assisting the development of new healthcare services and medical technology and the Tontine in Glasgow City Centre, a new centre for business incubation and development, which will improve growth rates for start-ups.

Skills and Employment - An employment scheme for individuals in receipt of Employment Support Allowance will work with 4,000 people to support opportunities, young people (16 – 24) are able to access an integrated employment programme and a labour market progression pilot will support the development of staff in low income jobs, boosting wages and reducing reliance on in-work benefits.



Glasgow City Region Deal: Infrastructure detail

Council	Project	Project Funding
East Renfrewshire (£44,000,000)	M77 Strategic Corridor	£44,000,000
Glasgow (£385,910,000)	Glasgow Canal and North (Sighthill)	£73,390,000
	Glasgow Canal and North	£15,900,000
	Glasgow City Centre Enabling Infrastructure Public Realm	£115,520,000
	Clyde Waterfront & West End Innovation Quarter	£113,900,000
	Collegelands Calton Barras	£27,000,000
	Metropolitan Glasgow Strategic Drainage Partnership (MGSDP)	£40,200,000
Inverclyde (£26,814,000)	Inchgreen	£9,427,000
	Inverkip	£3,257,000
	Ocean Terminal	£14,137,000
North Lanarkshire (£172,463,000)	North Lanarkshire A8/M8 Corridor Access Improvements	£12,587,000
	North Lanarkshire Gartcosh/Glenboig CGA	£66,311,000
	North Lanarkshire Pan Orbital Transport Corridor	£93,565,500
Renfrewshire (£129,685,000)	Renfrewshire Clyde Waterfront and Renfrew Riverside	£90,636,000
	Renfrewshire Glasgow Airport Investment Area	£39,049,000
South Lanarkshire (£169,228,698)	West Dunbartonshire EXXON	£27,897,000
	Airport Link (Regional project)	£144,294,000
	SPT (Regional project)	£30,000,000
Total		£1,130,291,698