



**OFFICIAL REPORT**  
AITHISG OIFIGEIL

# Local Government and Communities Committee

**Wednesday 27 February 2019**

**Session 5**



The Scottish Parliament  
Pàrlamaid na h-Alba

© Parliamentary copyright. Scottish Parliamentary Corporate Body

Information on the Scottish Parliament's copyright policy can be found on the website - [www.parliament.scot](http://www.parliament.scot) or by contacting Public Information on 0131 348 5000

---

**Wednesday 27 February 2019**

**CONTENTS**

	<b>Col.</b>
<b>DECISION ON TAKING BUSINESS IN PRIVATE</b> .....	1
<b>SUBORDINATE LEGISLATION</b> .....	2
Asset Transfer Request (Designation of Relevant Authority) (Scotland) Order 2019 [Draft] .....	2
The Local Governance (Scotland) Act 2004 (Remuneration) Amendment Regulations 2019 (SS1 2019/23) .....	5
<b>CITY REGION DEALS</b> .....	7

---

**LOCAL GOVERNMENT AND COMMUNITIES COMMITTEE**

**7<sup>th</sup> Meeting 2019, Session 5**

**CONVENER**

\*James Dornan (Glasgow Cathcart) (SNP)

**DEPUTY CONVENER**

\*Alex Rowley (Mid Scotland and Fife) (Lab)

**COMMITTEE MEMBERS**

\*Annabelle Ewing (Cowdenbeath) (SNP)

\*Kenneth Gibson (Cunninghame North) (SNP)

\*Graham Simpson (Central Scotland) (Con)

\*Alexander Stewart (Mid Scotland and Fife) (Con)

\*Andy Wightman (Lothian) (Green)

\*attended

**THE FOLLOWING ALSO PARTICIPATED:**

Councillor Susan Aitken (Glasgow City Region Deal Cabinet)

John Nolan (SQW Ltd)

Kevin Rush (Glasgow City Council)

Kevin Stewart (Minister for Local Government, Housing and Planning)

Graham Thom (SQW Ltd)

Joyce White (West Dunbartonshire Council)

**CLERK TO THE COMMITTEE**

Peter McGrath

**LOCATION**

The James Clerk Maxwell Room (CR4)



## Scottish Parliament

### Local Government and Communities Committee

Wednesday 27 February 2019

*[The Convener opened the meeting at 09:45]*

### Decision on Taking Business in Private

**The Convener (James Dornan):** Good morning and welcome to the seventh meeting in 2019 of the Local Government and Communities Committee. I remind everyone present to turn off their mobile phones.

Item 1 is consideration of whether to take business in private. Do members agree to take item 6 in private?

**Members indicated agreement.**

## Subordinate Legislation

### Asset Transfer Request (Designation of Relevant Authority) (Scotland) Order 2019 [Draft]

**The Convener:** Item 2 is evidence on a draft instrument that is subject to affirmative procedure. I refer members to paper 1 and welcome Kevin Stewart, the Minister for Local Government, Housing and Planning, and Malcolm Cowie, policy manager in the Scottish Government's community empowerment team.

The draft order has been laid under the affirmative procedure, which means that the Parliament must approve it before its provisions can come into force. Following the evidence session, the committee will be invited, under agenda item 3, to consider a motion recommending that the draft order be approved.

I invite the minister to make a short opening statement.

**The Minister for Local Government, Housing and Planning (Kevin Stewart):** Good morning, convener, and thank you. The communities and local government portfolio includes responsibility for embedding part 5 of the Community Empowerment (Scotland) Act 2015, which concerns community asset transfer requests. The act introduces a right for community bodies to put requests to all local authorities, Scottish ministers and a range of public bodies, as set out in schedule 3 to the act, for any land or buildings that they feel they could make better use of. Under the legislation, community groups can request ownership, lease or other rights as they wish.

The public authorities that are named in schedule 3 to the act must transparently assess requests against a specified list of criteria that are laid out in the act and agree to the request unless there are reasonable grounds for refusal.

VisitScotland now needs to be added to the schedule. It is the lead Scottish Government non-departmental public body responsible for growing and developing Scotland's visitor economy and for advising ministers on policy in that regard. It has wide statutory powers to promote tourism and has a budget of around £50 million per annum, which is largely funded by the Scottish Government.

VisitScotland has a number of offices and iCentres throughout Scotland. There are 14 offices spread across the country, including the head office in Edinburgh, and 26 iCentres—previously known as VisitScotland information centres—most of which are open every day of the year. Those iCentres welcome thousands of visitors and local

residents who are looking for information on the local area, products and services.

We have been working closely with VisitScotland, which understands the requirement that it be added to schedule 3 to the 2015 act as a named relevant authority in its own right. That is necessary because although it is currently listed in the schedule under the entry “Scottish Ministers”, that includes only VisitScotland land and buildings owned or in the care of Scottish ministers, and a number of its buildings are not in that category.

This action will bring VisitScotland’s entire portfolio of land and buildings into asset transfer legislation, including land and buildings that it owns or manages in its own right.

Thank you for giving me the time to speak about the draft order this morning. I am happy to answer any questions that the committee has.

**Andy Wightman (Lothian) (Green):** You said that VisitScotland needs to be added to schedule 3 because it owns some property in its own name, as part of the Scottish Administration. However, there are many executive non-departmental public bodies that are not in schedule 3 and are not subject to asset transfer requests. What was the particular reason for needing to add VisitScotland? Have there been particular approaches from communities?

**Kevin Stewart:** VisitScotland asked the Government to be added to schedule 3. As I explained in my opening remarks, some of the assets are owned by Scottish ministers and some are owned by VisitScotland in its own right. The draft order will bring them all under one umbrella, with regard to the community asset transfer aspect.

Members may be aware that VisitScotland has been looking at its portfolio of properties across the country as it looks towards having a more online presence to deal with its business. In those circumstances, it would be wise—and VisitScotland thinks that it would be wise—to ensure that all those assets are in schedule 3.

**Andy Wightman:** Many executive non-departmental public bodies are listed on the Scottish Government’s website, but not all of them are in schedule 3. I think that we added Historic Environment Scotland in 2017 or 2018. Is there any reason for not laying an order that would add them all and be done with it?

**Kevin Stewart:** Obviously, there are reasons why certain bodies have been added to the act. When my predecessor spoke to the Community Empowerment (Scotland) Bill, he told committee members and others that the Government would continue to keep an eye on the matter. There was a request from VisitScotland, which is why we

have moved on that front. If members want any further details on the issue, I am willing to write to the committee.

**Andy Wightman:** My next comment follows up on a point that I made when we considered the Historic Environment Scotland instrument. I have constituents who wished to apply for asset transfer in respect of land that they understood was owned by the City of Edinburgh Council. However, on investigation, they discovered that it was owned by an arm’s-length body whose name escapes me at the moment—it was the business body that the City of Edinburgh Council set up to develop the west of Edinburgh. That body is the owner of quite substantial land assets across the city. I am curious about the process in the Scottish Government. When bits of the Scottish Administration, such as Historic Environment Scotland and VisitScotland, come to you and say that they want to be added to schedule 3, you readily accede. How can communities, which the 2015 act is designed to benefit, get a timeous and predictable response to a request to add a body whose assets they are interested in?

**Kevin Stewart:** I do not have the details of the situation that Mr Wightman has described, so I am unwilling to commit to anything in that respect. If Mr Wightman or the committee wants to find out further details about the issue that he has described, I would be more than willing to write back to the committee.

**The Convener:** The committee will probably write to ask for information about how local communities can get bodies added.

**Andy Wightman:** Yes. I am not advocating for particular cases; I just wonder what the process in the Government is. The evidence is that, when a public authority approaches ministers, they lay an order, but if community bodies—

**Kevin Stewart:** That is not necessarily the case. VisitScotland asked us to look at the matter. We did so and agreed that it should be added to schedule 3. That is why I will move the motion. If similar things crop up with other bodies, we will consider them to ensure consistency. The key thing is that some of the assets that we are talking about are held by the Scottish ministers and others are held by VisitScotland. The approach brings everything under one umbrella to ensure that communities know exactly what the situation is. We will consider any request that comes in and move forward appropriately.

**The Convener:** Okay. We will request from you the information that Mr Wightman discussed.

**Alex Rowley (Mid Scotland and Fife) (Lab):** I support what the minister has proposed, but is he happy with the progress that local authorities are

making in building capacity so that they are able to deal with asset transfer requests?

09:57

*Meeting suspended.*

**Kevin Stewart:** It would be fair to say—I have said this to the committee before—that some councils are doing immensely well in dealing with the asset transfer provisions and other aspects of the Community Empowerment (Scotland) Act 2015. Other local authorities are a bit behind. I want to see help with community capacity building, where it is required, to allow communities to look at whether it is possible for asset transfer to take place.

There are some very good examples of local authorities going the extra mile in involving communities—East Ayrshire and North Ayrshire have done very well—but some other councils are not at that level. As I have said before, I am keen to ensure that best practice is exported not only among local authorities but among communities. There are some good community networks out there that pass on information and help communities. We are doing well in a lot of places, but there is still a way to go in others.

**The Convener:** Thank you. That brings us to agenda item 3, which is formal consideration of motion S5M-15748.

*Motion moved,*

That the Local Government and Communities Committee recommends that the Asset Transfer Request (Designation of Relevant Authority) (Scotland) Order 2019 [draft] be approved.—[Kevin Stewart]

*Motion agreed to.*

**The Convener:** The committee will report on the outcome of our consideration of the instrument in due course. Does the committee agree to delegate authority to me to approve the final draft of our report?

**Members indicated agreement.**

### **The Local Governance (Scotland) Act 2004 (Remuneration) Amendment Regulations 2019 (SSI 2019/23)**

**The Convener:** Item 4 is consideration of an instrument that is subject to negative procedure. I refer members to paper 2. The instrument has been laid under the negative procedure, which means that it will come into force unless the Parliament agrees to a motion to annul it. No motions to annul have been lodged. The Delegated Powers and Law Reform Committee has not drawn the instrument to the Parliament's attention on any of its reporting grounds.

As members have no comments, does the committee agree that it does not wish to make any recommendations in relation to the instrument?

**Members indicated agreement.**

09:59

*On resuming—*

## City Region Deals

**The Convener:** Item 5 is an evidence session on city region deals. The committee published its report on city region deals in January 2018 and since then it has agreed to keep a watching brief on development of the deals. Today we will take evidence on the Glasgow city region deal, which was the first Scottish deal to be signed off.

I welcome Councillor Susan Aitken, chair of the Glasgow city region cabinet and leader of Glasgow City Council; Kevin Rush, director of regional economic growth for Glasgow city region; Joyce White, chief executive of West Dunbartonshire Council; and Graham Thom, managing director, and John Nolan, associate director, from SQW Ltd. I invite Councillor Susan Aitken to make some brief opening remarks.

**Councillor Susan Aitken (Glasgow City Region Deal Cabinet):** Members probably know that the Glasgow city region deal was the first such deal to get under way in Scotland. It is one of the most advanced in the United Kingdom at this point. We are one year out from our first gateway review and at its most recent meeting in early February, the city region cabinet considered a report from SQW indicating the progress that we are making towards that first landmark. By the end of September 2018, we had spent £119 million against a projected spend of £124 million—so it was very close. Spend is expected to accelerate, as, indeed, it has been doing over the past year; it is expected to do so in every part of the city region over the coming year.

As colleagues probably know, the Glasgow deal is primarily an infrastructure deal, although it also has significant employability and innovation elements, which were among the first parts of the deal to be delivered. Real impact is now visible on the ground—literally—in the streets of Glasgow to anyone who has been to Sauchiehall Street or the inner east end around the Calton Barras area recently. Some £56 million has been spent on the canal and north gateway project in Sighthill. That is the largest area of spend so far, but there are a number of other projects in which we will see considerable progress and acceleration of spend in the coming months.

Finally, the city region structure—the cabinet and other structures that go alongside it, including the chief executive’s group, of which Joyce White is a member—has gone considerably beyond oversight and implementation of the city region deal, although those remain its primary purposes. It has done so through joint regional working, with a focus on skills, attainment in education and skills

pathways into the jobs that we expect will be created through city region deal investment; wider connectivity in the city region; and overall inclusive economic growth and ensuring that that is engineered into the infrastructure investment that will take place over the next decade or so.

**The Convener:** Thank you. Since the annual report was printed in March last year, have any milestones or deadlines been revised or missed, or any significant changes made to planned projects or the governance approach?

**Councillor Aitken:** No. The one project to which there has been a potentially significant change—although that is still under discussion—is the Glasgow airport access project. At the most recent city region cabinet meeting, it was agreed that another outline business case should be produced for that. There were significant concerns about the robustness of the previous outline business case—its deliverability and costs. We have asked officers to produce an outline business case on another option for connectivity to the airport that did not previously have one attached to it. We expect some rapid progress on that in the first half of this year.

There have been no significant changes to governance. The governance structure was put in place when the city region deal was established in 2014, during the 2014-15 financial year, and it has worked very well. When I first become chair, I made some minor changes to make the cabinet more strategic. The agendas were perhaps sometimes about ticking-off and rubber-stamping full business cases, for example, for which the work had already been done at chief executive level and scrutiny had taken place in an earlier process, and there was a bit of a danger that the cabinet was getting dragged into operational issues, which is not really the role of the politicians. We have therefore moved to make the cabinet more strategic.

We have worked more closely than ever with the commission on urban economic growth—which is based at the University of Glasgow and is chaired by Professor Sir Anton Muscatelli—with a particular focus on understanding what inclusive growth means in the context of the city deal.

There have not been any major governance changes, although we have brought forward augmented business cases. Kevin Rush will be able to talk more about the process. We—indeed, I think all, or certainly most, of the local authorities—have gone through the process of producing an augmented business case for each of the projects whose outline business cases were approved at an earlier date. The cabinet has been looking at those augmented business cases, which has been an extremely useful exercise in that we have looked again at the assumptions and



targets that were put in place in the early days of the projects, about which we now have more understanding and information. The augmented cases are therefore more realistic and give us the detail that we need to ensure that all the projects are deliverable and that we are delivering. There has therefore been additional work rather than a complete change of approach. We have refocused on some areas, but it has not been a case of tearing things up and starting again.

**Kevin Rush (Glasgow City Council):** I echo the points that Councillor Aitken made about the augmentation process. Cabinet sought assurances that the projects that were being invested in were the correct ones and asked for each business case to be reviewed against HM Treasury's "The Green Book: appraisal and evaluation in central government" to ensure that the economic cases were sound. So far, 11 augmented OBCs have come through. As Councillor Aitken said, that has helped us both to demonstrate and to monitor the benefits of the projects. We now have a much clearer articulation of what we expect from each of the projects.

However, on your question about timelines, that has impacted on timescales, in that the augmentation process has slowed down delivery. Our view is that it is important to ensure that the governance around the projects is robust to ensure that we can satisfy cabinet and, ultimately, the funders that they are the right projects to invest in. Although the process has led to delays, we are nonetheless satisfied that that was the right thing to do.

**The Convener:** So the deadlines that have been missed have not been missed because there is slippage, but because the cabinet has made changes to the way that things are being done to ensure a better finish.

**Kevin Rush:** In any major infrastructure project, slippage can occur for a variety of reasons. The SQW report captures some of that, to which the augmentation process has contributed. However, we are comfortable with that, because it enables us to satisfy ourselves that these are the right projects.

On the governance changes that have taken place since the annual performance report, we have had the establishment of the regional economic partnerships, which emerged from the enterprise and skills review that the Scottish Government published in 2017. That contained a call for us to think beyond the city deal and move towards wider regional working and we therefore established the regional economic partnership. It met for the first time in October 2018 and its second meeting is tomorrow. It brings together local authorities, both Governments, Skills Development Scotland, Scottish Enterprise, the

chamber of commerce and others to look at wider regional activity.

**Annabelle Ewing (Cowdenbeath) (SNP):** On the projects, Susan Aitken said that, although the focus was on infrastructure, there were significant employability and innovation elements. When we discuss these subjects, it is always taken as read that everybody knows what everybody else is talking about. However, it occurs to me that we do not. It would therefore be helpful to hear more about the employability and innovation projects. They do not seem to be getting much attention, which I am sure is unjust given the impact that they must surely be having in Glasgow.

**Councillor Aitken:** I will ask Kevin Rush to say more about the employability projects, as he has been closely involved in them.

In addition to the infrastructure fund, which was the £500 million from each of the Governments, there was money from the Department for Work and Pensions that was specifically for employability and skills, and there was a particular project on workforce progression. Those were relatively short-term, time-limited projects and they happened in Glasgow, so it was Glasgow City Council that took them forward. Some really important learning has come out of those projects that will be embedded in future work. The workforce progression project took quite a new approach in that it was focused specifically on the care sector, and some useful learning came out of it.

The first innovation project to be completed was Tontine, which is based in the Trongate in Glasgow, although the odd thing happened before my time—I am looking to Kevin Rush to check my timeline, although it was before his time as well. Joyce White is the only person who has been there from the beginning. The Tontine building is a start-up innovation space primarily for tech start-ups, and it has been extremely successful. A number of spin-off companies have come out of it and have moved on to other premises.

Another innovation project is the imaging centre of excellence—ICE—at Queen Elizabeth university hospital, which is a joint project involving the city deal, NHS Greater Glasgow and Clyde and the University of Glasgow. The centre is doing remarkable things and is at the cutting edge of medical technology in global—not just UK—terms. The MediCity complex in North Lanarkshire is also an innovation project.

There are a number of things there that are leading the way for some of the infrastructure investment that will follow. The important thing about the infrastructure investment is that none of it is just about building things—it is about enabling more infrastructure investment. For example, my

favourite project is the metropolitan Glasgow strategic drainage project, which does not get hearts beating very fast but is, in fact, really exciting, because it is about resilience to climate change. It is about managing surface water in wide swathes of the city where either land has been unusable or its use has been limited because of drainage problems. That is part of Glasgow's post-industrial heritage.

An example of enabling infrastructure is the quay walls investment whereby £60 million is going into fixing quay walls under the Clyde. It is all taking place under water. Without that investment, the announcement of the Barclays inward investment, which was the biggest commercial property deal in the UK last year, would probably not have taken place. Barclays is situating itself on the banks of the Clyde, exactly where there are issues with the quay walls. That public infrastructure investment is already demonstrating its value, with jobs and growth being created on the back of it.

Kevin Rush may want to say a bit more about employability, in particular.

**Kevin Rush:** Councillor Aitken has spoken about enabling infrastructure, and the Glasgow city deal was always based on our investing in things that the private sector would not invest in, with further investment then coming on the back of that. To some extent, there was a similar idea behind the employability and innovation projects.

The working matters programme is a £9 million programme that is funded jointly by the DWP and the local authorities, and it works with some of the hardest-to-reach client groups. Those people are very far from the labour market. It is quite expensive—£9 million for a target of 600 jobs is not an amount that we would be able to invest ourselves—but that investment gave us the flexibility to try new things in working with a client group who, because of benefit changes, have been assessed as now being fit for work.

The average period of unemployment of the cohort that we worked with was 13 years, although we worked with someone who had been unemployed for 46 years, which seems barely possible. The principle behind the programme was to invest in things that are quite expensive and go beyond what local authorities would usually be able to invest in, and we have been able to take some of the learning from that programme into other activity. I mentioned the regional partnership. We are now starting to look at a regional employability offer, taking the learning from things such as the working matters programme and rolling that into new initiatives.

Under the innovation theme, the city deal is supposed to be the catalyst for further economic

growth. We now have three innovation districts in the city region, with one around the University of Strathclyde, one around the University of Glasgow and AMIDS—the advanced manufacturing innovation district Scotland—in Renfrewshire. All three of those are centred around city deal investments, with Tontine in the district in the city, the ICE building, which Councillor Aitken mentioned, and the enabling infrastructure that is going in around AMIDS. The public sector has put in relatively small amounts of money, but what that money has enabled has the potential to be transformative for the Glasgow economy.

10:15

**Annabelle Ewing:** That is all very interesting. I guess that, with the employability work that has gone on and that continues to be progressed, the key is to ensure that it is not just a one-day wonder but that it is sustainable. That would make a key difference to the lives of people who otherwise might never find employment again.

I turn to Joyce White. In relation to the discussion that we have had thus far, what has been the impact of such projects in your area? What is happening at your end?

**Joyce White (West Dunbartonshire Council):** Thank you for the opportunity to contribute. The skills and employability training has certainly brought benefits to West Dunbartonshire Council, as it has to all eight of the local authorities in the city region. As Kevin Rush said, in some areas, it is the hardest-to-reach people that we have been trying to get back on to the employment ladder. We have been successful, but we are learning lessons and considering how we can apply them in future funding to address unemployment.

The totality of the deal and the collaborative working that we now have across Glasgow give us the opportunity to improve what we are delivering on employability. Kevin Rush referred to the fact that there is a regional opportunity for us all, but each of the projects in its own right gives a huge employability opportunity, through the construction stages and the employment opportunity that comes on the back of them. Being part of the deal is bringing more employment opportunities to West Dunbartonshire Council and the north-west of Glasgow.

**Annabelle Ewing:** Do you expect progress to continue as further projects are rolled out?

**Joyce White:** Yes, absolutely. Our own projects will also bring huge employment opportunities as we reclaim a piece of land through the Exxon Mobil project and open the access routes up the A82 to the bottom of Loch Lomond, which is critical for tourism and employment opportunities in Glasgow and the greater Glasgow region.

**Annabelle Ewing:** That is very interesting. Thank you.

**Alex Rowley:** It is very interesting. I want to focus on infrastructure; but, before I ask about that, I have a question about developing best practice. Are local authorities and city deals across Scotland sharing best practice? Do you come together, through the various bodies and organisations, to share good practice on issues such as how to reach those who are furthest removed from the labour market?

**Kevin Rush:** Yes, that takes place. We are carrying out a review of the employability programmes, which we will then share with the other city region areas. We do that in a number of ways, such as through the Convention of Scottish Local Authorities, the Scottish local authorities economic development group and the Scottish cities alliance. We are keen to share the learning across the country.

**Alex Rowley:** It would be good if you shared that work with the committee, too.

**Kevin Rush:** Absolutely—we will do that.

**Alex Rowley:** On infrastructure, you mentioned the Glasgow airport access project. That is one of the Glasgow city deal projects that, as a Fifer, I am aware of, as there has been a fair bit of controversy around it. I have listened to radio interviews in which business representatives in Glasgow have said that the project is needed to drive the west of Scotland economy. Correct me if I am wrong, but the Scottish Government seems to have ruled out the airport link. Can we have an update on where that is at? How has that situation come about, given the controversy around the issue? Are all the partners involved? For example, are businesses involved, given that they have made a case for the airport link? Who are you engaging to reach a decision on that project?

**Councillor Aitken:** The first thing to say is that there will be an airport link, although it will probably be a different project from the one in the outline business case that was passed by the city region cabinet in 2016. That was done for a number of reasons. It was before my time in the cabinet, but I am aware of some of the decisions that were made on the issue. It is fair to say that Transport Scotland always had significant concerns about the impact on Central station's capacity of an additional line that did not use existing infrastructure but was newly built with the expectation that it would come into Central station.

There is a joint executive steering group, which involves the two lead local authorities for the project. It is a regional project, but Glasgow City Council and Renfrewshire Council lead on it and it is chaired by the Cabinet Secretary for Transport, Infrastructure and Connectivity. Transport

Scotland, Network Rail and Glasgow airport are partners. There was an agreement to commission a report to look into the details of that business case, and, when that report—the Jacobs report—came out, it raised significant challenges on a number of levels in three key areas, one of which was the deliverability of the project within the budget. The Scottish Government has made it clear that any overspend above the £144 million that is budgeted for in the city deal would be for the two local authorities to pick up. Obviously, as the leader of Glasgow City Council and the chair of the city region cabinet, I have a particular interest in that. Equally, my counterpart in Renfrewshire Council has a particular view on that.

The report also raised concerns about the longer-term operational viability and sustainability of the project. Although most airports have rail links of some kind, a number of airports that are around the size of Glasgow airport do not, although many of them are looking into getting them. Few of the airports that have a rail link have one that goes to a station in the city centre and back again without connecting to anything else. Most of them use existing infrastructure, and most people who get on a train at an airport expect that there will be other stops along the way.

The previous plan for the tram or train link was that it would, essentially, go back and forth between the airport and Glasgow Central station and would not connect to anything else. Heathrow has such a link, but it also has an alternative link that involves taking the tube, which is an option that Glasgow obviously does not have. We all know that the Heathrow express is not a cheap way to get to and from Heathrow airport. Whether such a link would be sustainable in operational terms for an airport the size of Glasgow airport—albeit that it is growing—is a question for the local authorities that would have to carry it.

The biggest challenge that was raised in the report concerned the negative economic impact on other parts of the city region, including Inverclyde, Renfrewshire and South Lanarkshire, and beyond the city region, in Ayrshire, and the impact that the loss of capacity at Central station would have in the medium term on rail services serving those parts of west central Scotland. The answers to the questions that were raised about that issue were pretty conclusive in making the decision that that particular project did not look like it was going to be the right project, given that alternatives were available.

Collectively, with the officers from the respective councils and officials from Transport Scotland and Network Rail, we have worked through some of the issues that were raised in the consultancy report to close off as many of them as possible.

We came to the conclusion that there was a better alternative option, which would involve linking the airport directly with, probably, Paisley Gilmour Street station—in the way that Gatwick north terminal is linked to the railway station at Gatwick south terminal—using some kind of personal rapid transit system such as a small tram-type of arrangement and making Paisley Gilmour Street station, in essence, the airport station, with people connecting into existing rail services to make their way not just into the city centre but on to other parts of the city region.

That was one of the options that were looked into at the time, but no outline business case was produced for it. We have now agreed that we will progress a fuller business case, to examine whether it is a feasible option. At the same time—this is the other crucial side of our approach—we are working with Transport Scotland and the Scottish Government to address the wider connectivity issues in the city region, and the cabinet secretary has said that that will be part of the next strategic transport projects review.

There are various elements to the project, to make sure that we will connect the airport with Glasgow and our existing transport public transport systems in a way that is sustainable and that takes into account wider connectivity issues.

**Alex Rowley:** Are there timelines for that work, given that people believed that the decision had already been made? According to business, what are the barriers to growth in the Glasgow city region? Is transport one of the barriers? What is business saying?

**Councillor Aitken:** The plan was to start work by 2023, with delivery by 2025, and we fully expect to meet that target for the city deal part of the work. Anything that is a national strategic transport project will have a different timeline, and those elements have obviously still to be developed. However, we expect the timelines to be the same.

There is no question but that transport is one of the biggest barriers to growth, and we have done a lot of work in that area. In 2017, we established a connectivity commission. Its first report was produced at the end of last year, and we expect its second report to be produced at the end of March or in early April. The second report will look at the wider regional connectivity issues. I hope that—in fact, I am confident about this—it will inform the Scottish Government and Transport Scotland in their thinking on STPR2.

A lot of work is being done on the wider transport and connectivity issues, which, as I have said, are a barrier. Poor connectivity prevents people from getting to their work, particularly those from the most deprived areas. We are doing a lot

of work on buses, particularly where the connectivity is poor.

There are other barriers, which we are touching on in some of the other work that is being done through the city deal employability strand. One relates to people in the city region being or having been excluded from employment because of long-term illness or disability. The other massive barrier is skills. Glasgow is a very highly skilled city compared to other core UK cities outside London and has many more highly qualified individuals than Manchester, Birmingham or Liverpool. The proportion of degree-level qualified people in Glasgow is more than 40 per cent, which is above the Scottish average. However, we also have the largest number of people who have no qualifications or recognised skills. That is an enormous barrier, so a lot of work is taking place on skills pathways.

Returning to the employability issue, the whole point is that we do not just spend the money and say, “There’s a new bridge. There’s a new road. There’s some fixed quay walls and some land that is now ready for development.” At every stage, we have to make sure that the projections and expectations on work and employability are pushed through and engineered into the process. In other words, we should not just wait for things to happen magically as a result of the infrastructure spend but should make sure that the infrastructure spend and the work on inclusive growth go hand in hand.

**Alex Rowley:** I will touch on the relationships in the partnerships. The Scottish Government’s stated objective is inclusive growth and the UK Government’s priority is economic growth. What are the dynamics of the relationships between the two Governments and the local authorities? Is new money being brought in as a result of the deal, or is it money that was in the pots of Government anyway? Is private sector investment coming in as well? Can you tell us about your relationships with the two Governments and the private sector as far as investment is concerned?

10:30

**Councillor Aitken:** I will let Kevin Rush and Joyce White say a bit more about our relationships with the Governments, because they have been more directly involved—in fact, they were at a meeting with the two Governments last week. We are already seeing private sector investment; that is happening earlier than we anticipated. That is a key target. The Government is providing £1.2 billion altogether, and we have to bring in £3.3 billion of additional private sector investment that is directly linked to and generated by that public sector investment. We have a keen focus on that. We are keeping a sharp eye on making sure that

the relationships with the private sector are where they need to be.

We are giving a lot of thought to what those structures need to be. I am not convinced that the structures that were initially put in place to link in with the private sector were adequate. We are giving a great deal of thought to how to improve those, and we will have new structures in place this spring. Lord Haughey, who chairs a group in this area, has been very helpful. I will meet him again in a couple of weeks to talk about how we make progress on that.

We are one year out from our first gateway review report. The SQW report that we got at the most recent meeting of the city region cabinet about three weeks ago indicates that, if the projected spend continues on the same trajectory that it has been on so far, by the time we get to the close of the city deal period, collectively, the eight local authorities will have invested more than the initial £1.2 billion from the two Governments. Therefore, it is not the case that we are just spending the money from Government. The canal and north gateway project is a very good example of that. The work that is going on in Sighthill is being funded as much by Glasgow City Council as it is by the Scottish and UK Governments.

**Kevin Rush:** The Barclays example is the prime example of private sector investment coming in on the back of the city deal. As Councillor Aitken said, some of the private sector investment is happening earlier than we expected. We thought that we would go through the remediation process and then look for the private sector investment. Inward investment has been very strong in Glasgow in the past year. Channel 4 has come into the innovation district, alongside Tontine. That is positive.

The relationships with the Governments are very good. I know that, in its previous report on the issue, the committee picked up on the distinction between inclusive growth and economic growth. I would argue that they are not mutually exclusive—economic growth is necessary for inclusion. Although there could be a tension if one Government was saying, “We will only build shiny office blocks in the city centre,” and the other Government was saying, “We should build community centres,” I do not think that that is way in which the situation is characterised by the Governments. They have set up annual conversations with each of the city region deals. We went through ours—that sounds a bit pejorative—last Monday. We met both Governments. We got the sense from them that they are working quite well collaboratively on the deals. They were very pleased about the progress that is being made in Glasgow. I have not picked up any major tensions between the two

Governments, and there are certainly no tensions between them and us.

**Joyce White:** Along with the chief executive of East Dunbartonshire Council, I attended the annual conversation with the two Governments. It is really important that the deal is not all about Glasgow city and that it covers all eight local authorities in the wider city region. That conversation was very helpful, because it allowed us to look at the progress that has been made to date in delivering the deal, and at the further progress that is needed.

We expanded a bit more on the new regional working that we have established. For us, as chief executives, such working brings huge opportunities. West Dunbartonshire Council leads on the housing portfolio, which gives us a much better opportunity to present ourselves as a region, from a housing development point of view, and to have links to private sector development, which relates to Alex Rowley’s point about private sector investment. That is what has been done in housing, and similar work has also taken place in many of the other portfolio groups that we have established under the city region’s governance structure. Having Glasgow Chamber of Commerce involved in our partnership working is another lever by which we can attract new inward investment—indeed, one of the portfolio groups is on inward investment.

We are in a strong position. Rather than being eight separate local authorities, we sit as one strong region, which means that we can attract more investment into the economic part of the Glasgow city region deal.

**The Convener:** Before I call Kenny Gibson, I should say that we have a lot to get through this morning, so I ask the witnesses to keep their answers as short as they can be, while containing all the information that is required. That is not a hard task at all.

**Kenneth Gibson (Cunninghame North) (SNP):** To square that circle, we are talking about the Strathclyde region reborn, to an extent.

I thank Councillor Aitken for her detailed explanation of the Glasgow airport access project, which was very helpful. As a representative from North Ayrshire, I know that there are concerns that we could be disadvantaged if the plan to have an additional line is taken forward. We all want the Glasgow city region deal to prosper, but not necessarily at the expense of other parts of Scotland. When the medicines manufacturing innovation centre went to Inchinnan, there was a concern that it was doing so at the expense of Irvine and that that was not an example of additionality.

My questions are about additionality. We have talked about the £1.2 billion of public money and the attempts to bring in £3.3 billion of private sector investment—we have touched on Barclays. How do you measure additionality? By that, I mean how much of the public and private investment would have happened without the deal and how much is directly attributable to the deal? I will ask all my questions together, given the convener's concern about time. How many jobs are directly attributable to the deal, as opposed to those that might have been created because of general economic changes?

**Kevin Rush:** We capture displacement in every business case for city deal investment that is brought forward. Information on attribution needs to be included so that we can identify what is genuinely new economic activity and what is simply displacement from elsewhere. There will be no real additionality if we simply take jobs from one part of the region to another or from outwith the region. That information is captured at a very early stage.

When we went through the initial programme modelling phase, some projects fell through because they would have displaced activity from elsewhere; in and of themselves, they would have had a greater economic benefit than some of the individual projects that went ahead, but they would have displaced too much activity from elsewhere in the region or in the country. We are keen to capture additionality.

The business case needs to capture the number of jobs that will be directly and indirectly attributed to the investment. We have been clear with the individual local authorities that they need to be confident of the numbers, because those will be monitored. We have just put in place a new community benefits software package that will enable us to track the numbers in real time and present that information. Until this point, we have captured the information in an old-fashioned way through Excel spreadsheets and such things. That is all part of the business case process and monitoring, and we now have a better way of capturing and reporting the information.

**The Convener:** Do the witnesses from SQW want to make any comments on that?

**Graham Thom (SQW Ltd):** I will not add very much to what Kevin Rush has said, because he has answered the question very well. We are principally interested in the economic benefits that there are after a project has been delivered. It is probably too early to say much about that now, but we should go back to the evaluation question when projects are completed and benefits flow through.

**Kenneth Gibson:** I note your comment that it is too early to say, but the deal was signed in July 2014, which was four and a half years ago. What additional jobs, infrastructure spend and private money leverage can be attributed to the deal at this stage? Do we have any figures for them?

**Graham Thom:** We have figures for additional spend and leverage, which Kevin Rush alluded to. That is in the framework that we are working towards. The issue with the infrastructure projects, which are what we are looking at, is that most of them have not been completed. The work that is going on at Sauchiehall Street and Sighthill, which Councillor Aitken mentioned, is creating some construction jobs, which we can measure, but the economic benefit and impact will follow later, once the projects have been completed.

**Kenneth Gibson:** I appreciate all that, but I want to get an idea of where we are. None of the responses will be a state secret. Are there 100 or 1,000 extra jobs? Is there £1 billion or £100 million extra investment? I am simply looking for some ballpark figures on how the deal is progressing at this point in time. I am not talking about an evaluation a decade from now; I am simply looking to see how we are doing. Obviously, we are looking to see how successful—or not—the deals are. If we get a hint about the additionality at this stage, that will help us, especially as the Ayrshire growth deal was signed on 1 February; it will give some signposting to that deal and other deals in Scotland.

**John Nolan (SQW Ltd):** I will add to what Graham Thom said. On what we have measured so far, there is a long-term programme of investment, and the project management office has been collecting information from the project managers about the milestones and putting in place the infrastructure. The next phase of our work, which will start over the next month or two, will go beyond that monitoring data and say what other investment has followed from the infrastructure investment that there has been to date and how many jobs are attributable to those projects. We have deliberately left that phase of work as late in the process as possible before gateway review 1 so that we can collect that information as late as possible.

**Kenneth Gibson:** I have a final question, which will switch away from that issue. Alex Rowley talked about the relationship between the deal and the UK and Scottish Governments. Mr Rush said that the relationship is positive. How is levering in the funding for specific reserved and devolved competences impacting on the deal? Is that working out okay? We previously had discussions in the committee about the UK Government wanting money to be spent only on reserved issues and the Scottish Government perhaps

being a bit more flexible. One wonders whether that means that the money is not being spent optimally because it should not necessarily be spent on reserved issues and could perhaps be spent more on devolved issues—or vice versa. Is the way in which the Governments are investing their resources optimising how those resources are being spent?

**Kevin Rush:** In Glasgow specifically, we do not have that barrier. Both Governments just give us money in grant form for infrastructure spend. However, I know that that is an issue for other city region deals that followed ours. Our money just comes in a grant for an infrastructure fund, so there is no saying, “This is our money and this is theirs.” Ultimately, the cabinet decides how it chooses to invest. I understand that there is such a tension in other city region areas but, luckily, we have not been exposed to that, just because of where we were in the process.

**Kenneth Gibson:** That seems to me to be the most sensible way forward, so I wonder why it has happened the other way around. However, we will leave that just now.

**Graham Simpson (Central Scotland) (Con):** Good morning. I want to ask about a specific project. Has SQW done any analysis of the economic benefit of the Cathkin relief road? I think that that was the first infrastructure project to be completed.

**John Nolan:** The Cathkin relief road is one of the three projects that we are focusing on for our final phase of work, which is the impact evaluation work. In the evaluation plan that we agreed with the city region, the agreed methodology for that project is, as it is primarily a transport project, to look at the transport data for the local and surrounding areas to see what difference the completed road has made on transport issues and congestion in the local areas.

In addition to that, we will speak to local stakeholders and developers to get qualitative feedback on the impact of the road on local businesses and development and on decisions to take forward those projects. That is one of the projects that we will look at over the coming months.

10:45

**Graham Simpson:** I can probably save you some time, because you will not get much. Essentially, that road is a bypass and leads to no industrial areas whatsoever. It will be interesting to see what you come back with.

There were concerns about the lack of economic benefits from that road, as there have been concerns about other roads put forward by

South Lanarkshire Council, including Stewartfield Way. This question is not for you, Mr Nolan, as you probably do not know the answer. I was interested to hear Councillor Aitken say that all councils have produced augmented business cases. Does that include Stewartfield Way?

**Kevin Rush:** The one for Stewartfield Way has not come through yet. We expect that at some point in 2019.

**Graham Simpson:** The business case has not been produced, yet that is a major project.

**Councillor Aitken:** South Lanarkshire is working on that just now. There have been other augmented business cases from South Lanarkshire, but not the one for the Stewartfield Way project. We will be able to scrutinise that in detail. The assumptions about remediated land, jobs and houses being built, and the various cost benefit analyses and different criteria, will be revisited as part of that augmented business case.

**Graham Simpson:** So far, South Lanarkshire Council has not said anything about changing any of the projects in its area.

**Kevin Rush:** No—not up until this point. A change control process can be gone through. An authority could modify a project, but if, for example, it chose not to go ahead with a project or there was a reason why a project could not go ahead, the money would come back into the pot to be allocated to the highest performing in the region.

**Graham Simpson:** But there has been radio silence from South Lanarkshire Council on that particular case. I will move on to other questions.

**Kevin Rush:** In relation to Stewartfield Way, yes. The council has reported to us that the augmented OBC will come in 2019, which is within the timescale of a number of other authorities.

**Graham Simpson:** When Councillor Aitken appeared before the committee previously, we questioned her about the transparency of the city deal, and we asked questions about the website, which is how the public might find out about things. This morning, I had a quick look at the website, which does not seem to be radically different from how it was before. When I looked up my home town of East Kilbride and zoomed in on the map, there were no projects showing, but I know that that is not true.

**Kevin Rush:** We will take that point away.

**Graham Simpson:** That is not too good.

In February this year, Councillor Aitken produced a helpful update. The previous update on the website was produced by Councillor McAveety, who was your predecessor some time

ago. There is difficulty in finding out what is going on.

**Kevin Rush:** A new communications plan was put in place in January, which is why the February newsletter was issued. Newsletters will now be issued each month. Blog updates are also now being issued every four weeks. You are correct to note that that is now in train, but it only started from January. If we come back in a year's time, there will be 12 newsletters on the website.

**Graham Simpson:** I think that you have told me that before, Mr Rush.

**Kevin Rush:** Indeed, but the new communications plan is now in place.

**Graham Simpson:** It really needs to kick in. People need to be able to find out things.

**The Convener:** I think that they are saying that it has kicked in.

**Councillor Aitken:** It has kicked in. The newsletters are a new development, and there have been a number of other developments. The social media strategy has been considerably enhanced over the past year, and not just since January.

The detail on the work sits with the local authorities—although Kevin Rush and his colleagues in the programme management team scrutinise the projects, the local authorities produce the detail. The work on South Lanarkshire projects sits with and is led by South Lanarkshire Council, the work on North Lanarkshire projects sits with North Lanarkshire Council, and so on. Local authorities have individual responsibility for talking about the detail of their projects; they are the lead authority for their projects.

Glasgow City Council's website contains considerable detail on Glasgow's projects. They are broken down into timelines and into their different aspects under the heading of the overall project.

We are strongly encouraging all local authorities involved to detail their projects. Equally, there may be commercial confidentiality considerations with contracts and procurement, for example, so those details will not necessarily be shared with the public. The original business case for Stewartfield Way was submitted in—

**Kevin Rush:** August 2016.

**Councillor Aitken:** All the information on that business case is available for people to find and read, should they choose to do so. All the papers that have been to the cabinet are in the public domain and can be found reasonably easily. If someone is interested, they could certainly get their hands on the papers without having to look too hard.

**Graham Simpson:** I completely disagree. It is not easy to find anything. You can blame the councils if you like, but all the information should be held in one place. I am sorry to bang on about this, but your website is where people will look. All the information should be in one place and it is not. You should not have to go to the websites of individual councils, which are all doing different things. Glasgow City Council might be doing really well, but I can assure you that South Lanarkshire Council is not. I have not looked at the rest. We should not have different approaches—you should be able to look in one place and find out what you need to know.

**Councillor Aitken:** You can find in one place all the papers that have ever been produced. I suppose that you just have to use the right search terms to find the one that you are looking for—obviously there is a lot of information there.

As for the operational work that South Lanarkshire's officers are undertaking, you will not find information on that on the city deal website at the moment. It would be for the local authority to respond to detailed questions about that work.

**Graham Simpson:** I should say that we had asked South Lanarkshire Council to come along today, but no one could come because it is setting its budget.

**The Convener:** That is a shame.

**Graham Simpson:** If the council were here, it would be getting these questions.

What is the project review process? Would it be possible for a council to change something or even drop it completely? What would it have to do?

**Kevin Rush:** If there is a material change to a project, the cabinet can give the member authority a defined period—it is in the cabinet's gift to define how long that is—in which to produce a modified project that generates the same cost benefit ratio for the overall programme.

The project would have to be modified within its original scope. If the project was to build a bridge over the River Clyde, you could not come back with a different project in a different part of your authority and claim that it was a modified project. Your existing project would be cancelled and the money would come back into the pot.

For example, if the Stewartfield Way project were to be cancelled, £62 million would become available. It would then be for the cabinet to issue a call to the member authorities to submit projects of their own, and as it stands, the one with the highest gross value added would win. Just to be clear, that would not be a South Lanarkshire allocation; if South Lanarkshire Council did not go ahead with that project, the money would come



back into the pot for reallocation. The cabinet has a duty to ensure that it invests in the right projects, so the allocations are not made to individual local authorities. If a project falls for any reason, the money comes back into the pot to be reallocated.

**Graham Simpson:** Have any councils dropped or changed projects?

**Kevin Rush:** There have been discussions with a number of authorities about changes. Last year, we had a look at the Clyde waterfront and Renfrew riverside project—the Renfrew bridge, as it is known—because there were substantial planning issues, including with West Dunbartonshire Council. Because of the uncertainty around that, Renfrewshire Council did a bit of work on what a modified project might look like, but in the end, the project got planning permission and is now proceeding as planned. Those are the kinds of decisions that are taken. If Renfrewshire Council had come forward with an entirely different project, it would not have been within its gift to take the decision on it—ultimately, it would be up to the cabinet to do so.

**Councillor Aitken:** North Lanarkshire Council significantly modified a project, but not to the extent that it was wholly different. As Kevin Rush has made clear, if the council says, “We’re not going to do that any more—we’re going to do something else instead,” the money goes back into the pot.

**The Convener:** On that point, if a council came back with something completely different, would it have to sell that to the cabinet and make a new bid?

**Councillor Aitken:** Yes. It would have to go through the same process as other projects. In essence, we judge on the GVA, which is the criterion that was set at the beginning for how projects are chosen. If other local authorities had other projects that they thought were better, and if those demonstrated better GVA and better cost benefit ratios and return, there would be no guarantee that the local authority that wanted to change a project would be able to do that.

For example, East Dunbartonshire Council does not have an infrastructure project—that was its choice in the early days—but it is now quite keen to have one so, if money comes back into the pot, that council will bid strongly for its infrastructure project to come forward. I am fairly confident that Glasgow City Council also has projects that we would like to be taken forward, and all the other local authorities will be in the same position. Ultimately, the decisions on what goes forward are made on a regional basis, and the rules and criteria for making those decisions are very clear. The cabinet absolutely has to abide by those rules in order to demonstrate to the two Governments,

and to SQW at the gateway review, that the governance processes have been followed correctly.

**The Convener:** Do you have any more questions, Mr Simpson?

**Graham Simpson:** No. That has been useful.

**Andy Wightman:** SQW provided a written submission to the committee, and I must say that I am a little confused about what it says on the purpose of the national evaluation panel. You say that the purpose is to

“evaluate the impact of the locally-appraised interventions on economic growth”,

but you go on to say that the things that are

“not within scope of the NEP”

include “Economic evaluation”. Will you explain exactly what the national evaluation panel does in relation to economic growth?

**Graham Thom:** I suspect that it is the technical language rather than anything else that is causing the confusion. The panel was set up to measure the economic impact of the intervention, whereas economic evaluation—to use the jargon—is about value for money, which we are not seeking to assess. To go back to an earlier question, we look at jobs and GVA, but there is no value-for-money assessment or benchmarking in that respect.

**Andy Wightman:** So you look at economic impact, as popularly understood.

**Graham Thom:** Yes.

**Andy Wightman:** Are you looking at economic impact against any target that was set when the city region deals were introduced?

**Graham Thom:** Yes, in the sense that we look at what projects have delivered in comparison to their business case.

**Andy Wightman:** In all the investment funds that you are looking at, including those for Glasgow, did the business cases contain GVA projections?

**John Nolan:** Yes. All the business cases are assessed on the basis of their long-term GVA impact, so they all have those projections.

11:00

**Andy Wightman:** Okay. You also say that the approach will involve

“interim reports provided during the evaluation period”.

Have you produced any such evaluation reports for Glasgow?

**John Nolan:** Our work takes us to gateway review 1, which for Glasgow is in December 2019,

and there are three phases of reporting. First, there was a baseline report, which was produced in summer 2018 and primarily covered the qualitative strategic-level benefits of developing and setting up the fund and associated structures. Secondly, there was a one-year-out report, which was produced in January and looked in detail at some of the operational issues in implementing the projects. Thirdly, there is a final gateway review report, which we will produce later this year and which will include the impact evaluation evidence that we collect from the three projects.

**Andy Wightman:** Are the two reports that you have already produced on the website? Can we have a look at them?

**John Nolan:** Yes.

**Andy Wightman:** That is excellent.

**Graham Thom:** They have been to cabinet and, as Councillor Aitken has said, they are for our public.

**Andy Wightman:** Thanks—that is great.

Although you are not strictly involved in other city region deals in Scotland, are you looking at them?

**Graham Thom:** No.

**Andy Wightman:** So you have nothing to do with them. That is fine. Have you found any contrast in or learned any lessons from comparing the Glasgow city region deal with the other 10 that you are looking at outwith Scotland? Are there any key differences or lessons that you would like to draw to our attention?

**Graham Thom:** I need to be a little careful in answering that. It is not part of our remit to make comparisons across city deals, so these are personal opinions rather than those of the contracting team.

There are two key differences. First of all, Glasgow is different, because the Scottish Government is involved. That is not the case elsewhere; the Welsh Government is involved in Cardiff, but in a different way. The Government's involvement here has created a slightly—not hugely—different dynamic with different expectations, and we have met those expectations and resolved things through working well with the commission and Sir Anton Muscatelli.

The second difference is that all the city regions started in a different place and are moving at a different pace. As we have said in other fora, we are impressed by how much Glasgow has achieved. Comparing the 10 deals, I think that Glasgow is one of the fastest moving and spending city region deals that we have seen.

**Andy Wightman:** Thank you. In terms of economic impact, are you assessing any potential displacement impacts, which was a concern that the committee raised in its report?

**Graham Thom:** Yes, we are looking at displacement as part of the economic impact. In the national framework, which we designed to sit across the 10 deals, our interest in displacement relates to the economic impact within the city region. From reading the committee report, it seems that some of your interest is in a pan-Scotland displacement issue.

**Andy Wightman:** For example—and just to pick Kenny Gibson's constituency—we have wondered whether there is any displacement taking place in Ayrshire. You are correct that our interest is in displacement outwith the city region deal. Are you saying that you are looking not at that, but just at displacement within the bounds of the deal?

**John Nolan:** That is how the national framework was set up. It would be feasible to broaden that out to accommodate the concerns in the committee's report, but that was not how we started on this assignment.

**Andy Wightman:** So you are not looking at displacement impacts outside the city region deal area.

**John Nolan:** We will do a small amount of that work in the impact project, but it is not the main focus of what we are doing.

**Andy Wightman:** Will we get some information on that?

**John Nolan:** Yes.

**Andy Wightman:** Okay. Thanks.

**Alexander Stewart (Mid Scotland and Fife) (Con):** Councillor Aitken, you said in your opening statement that the deal was one of the most advanced in the UK. That is to be expected, given that the Glasgow city region deal was one of the first to be progressed. As has been mentioned, the deal has been refocused, the process of working with other councils has involved complexities and there have been some communication difficulties. The deal might well be advanced, but the smooth running of it is in question. Other members have touched on the fact that, at times, there has been a problem with openness and transparency.

What is being done to ensure that best practice from the Glasgow city region deal is shared with other city region deals across Scotland?

**Councillor Aitken:** The first thing to say is that the deal has been constructed as a 20-year deal, so we are in the first fraction of the period of its establishment. It is probably fair to say that the first couple of years were devoted to establishing governance structures and having rules in place.

Given that we are talking about a significant amount of public spend, that was the focus for the first couple of years. I was not there at the time—I was an elected member, but I was not a member of the city region deal cabinet—so although I was aware of the deal, I was not very close to it.

None of this was expected or intended to happen overnight, and that is still the case. We can draw down only £30 million of investment a year. There was never a question of £1 billion being spent in five or six years. The deal involves investment over an extended period. I cannot speak about the period prior to May 2017 but, since then, the joint working between the local authorities has been excellent and has improved as we have developed the city region into a place where much wider regional working goes on.

Kevin Rush mentioned the regional economic partnership, which is probably at a more advanced stage of development than other regional economic partnerships in Scotland. The fact that the Glasgow city region deal came first is allowing us to set the pace for other regional ways of working, particularly on regional economies. Regionalisation is a very significant part of the enterprise and skills review and the move towards thinking about the Scottish economy in a regional context. We are finding that that is increasingly useful—for example, it is increasingly helpful when we talk to inward investors.

On transparency, there were issues with all the deals, initially. Even some of the later deals are experiencing similar issues. Because of the nature of the way in which they were established, the selection of projects was not open to public discussion or public consultation. The projects that were included were selected on the basis of rules that were set by the UK Government in particular. It was not a case of local authorities asking neighbourhoods and communities what they wanted. There was no transparency in that regard.

However, there has always been transparency on governance and the following of processes. It is undoubtedly a complex arrangement. When I took over as chair, it took me a good few months to get my head round some of the criteria that we have to deal with. Luckily, Kevin Rush and other officers are there to do some of that technical stuff for me. That there has always been transparency on governance is illustrated by the fact that decisions have been made by the city region cabinet that have gone back to member local authorities and gone through their democratic processes. It is important to point that out. That has not happened in a huge number of cases, but there have been incidences of that.

As far as engagement is concerned, the important thing for us is that there is public engagement before the projects impact directly on

communities and that the transparency around that is as exemplary as we can make it. That sits with individual authorities; it is up to them to engage with their local communities. In Glasgow, the engagement around the building of a new community in Sighthill has been exemplary and of very high quality. There has been a genuinely deep level of community engagement and it is the type of flagship project that the city deal is designed to enable.

Similar work is going on around the avenues programme. Its full title is the enabling infrastructure—integrated public realm programme, but we call it the avenues programme for short. There has been deep and detailed engagement with communities on the Garnethill and Sauchiehall Street district regeneration framework in the city, which the Sauchiehall Street avenue is part of. A lot can be learned from that engagement and rolled out.

Communities are most interested in how the work will affect them day to day. Public engagement is particularly important when infrastructure-related construction work is going on, with all the short-term interruptions and disbenefits that come from that, so that people know that something is coming at the end of that work.

As Kevin Rush said, there are various fora in which we can share learning with other local authorities and now other regions—not just city regions, but economic regions in Scotland. The Ayrshire growth deal is an example. These are no longer just city deals; they are economic regional deals.

There will be different learning and different approaches in every region; that is the whole point of the regional approach. There is no other region in Scotland like the Glasgow region. We are the only metropolitan region in Scotland and the only true metropolitan region north of Manchester, so no one else will have exactly the same factors or issues to deal with. No other local authority has the same levels of contaminated post-industrial land, for example, which is quite a focus of the Glasgow deal.

However, we can definitely share the principles around things such as that deep dive public engagement and we are learning and getting better at that all the time.

**Joyce White:** From a regional point of view, I have already expanded on collective responsibility and the collaboration that is happening across the local authorities. The Society of Local Authority Chief Executives and Senior Managers, in which the 32 local authorities are all represented, had a review of our thematic priority areas last August. Regional working and city deals was one specific

area in which we thought that we could establish more cross-authority working, learning lessons from each other and sharing ideas. I am a past chair of SOLACE; Annemarie O'Donnell, the chief executive of Glasgow City Council, is now chair and that is certainly one of the thematic areas that we will focus on. That taps right into Mr Stewart's specific question.

I echo what Councillor Aitken said. Responsibility for managing the projects and for proactive community engagement—or reactive engagement, as it has to be sometimes—is very much at local authority level. I have felt that with the Exxon Mobil project. We plan for such projects as we would with any capital investment project within the local authority. We are responsible for good, strong community engagement and, where there is any potential for disruption in our communities, for getting the best benefit from contractors who are working in the area, including helping in our schools. That is all happening in the local authority areas. I cannot speak for the Lanarkshires, but I can certainly speak for my local authority; that is happening with the Exxon Mobil project and with all the other capital investment projects that we have in our plans.

11:15

**Alexander Stewart:** The deals have huge potential for many local authorities and parts of Scotland. As you identify, Glasgow has a unique opportunity in this process. The idea of employability, regeneration, progress—all of that—is enshrined in the process that you are trying to bring together. Have any lessons been learned from other deals that have come about since the Glasgow deal? Are there things that Glasgow wishes that it had done that have been done in other deals and which might have smoothed some of the difficulties that you have faced?

**Joyce White:** As I mentioned, I have been involved since the beginning of the deal in 2014. In the early days of formation, we learned from what had happened in Manchester and Leeds. We ran some workshops with people from those cities to see whether there were lessons that we could learn and how we could be informed as we developed the process.

As Councillor Aitken said, all the deals are different. We have also heard what SQW has said about the more developed stages of the UK and Scottish Government investment. Certainly, we looked south of the border to learn lessons. I can tell you that the establishment of the housing portfolio relates to something that we heard about from the Manchester area. I think that Bolton Council was the local authority that was leading on that. Looking at what it had done helped to inform our thinking about the most important areas to

focus on. We are not talking about a rebirth here. We are involved in an establishment of what is best developed at the local level, the regional level and at national level across Scotland.

**The Convener:** Alex Rowley wants to come back in.

**Alex Rowley:** I wanted to remind you to send us links to any papers regarding employability, particularly with regard to the DWP project that you mentioned—that would be interesting.

Earlier, Kenny Gibson joked about a mini Strathclyde Regional Council—I am not sure whether he thought that that would be a good thing or a bad thing. Many people in Scotland felt that the removal of the regional councils in the 1990s restricted people's abilities to organise at a regional level. From what I have heard today, you seem to suggest that there is potential for the city deals to become wider and more organised. Am I correct in saying that? Do you see the city region deals eventually being involved in wider service delivery, such as the service delivery that is done by education authorities?

**The Convener:** There you go, Councillor Aitken. Would you like to put on record that you want to change the structure of local government in Scotland?

**Councillor Aitken:** Are you asking me whether I want to abolish Glasgow City Council? The answer is no.

The Scottish Government is absolutely clear. The direction of travel around economic development and inward investment and inclusive growth is regional. We can have more effect on a regional basis. With regard to the Glasgow region, it is clear that, if we are generating the number of jobs that we need to generate, people will be travelling into Glasgow to take up those jobs. Equally, some of our neighbouring authorities require Glasgow to be generating jobs for their people to take up, because, with the best will in the world, those areas do not, on their own, have the capacity for the kind of job growth and job creation that Glasgow has, as a city. That is why it is important that we think about things on a regional basis, and we will do so more and more. In fact, we are doing that already. For example, Kevin Rush works in Glasgow City Council and is located there, but he is the director of regional economic growth, not just city economic growth.

The city council has a clear understanding that we will work better as a region. Some of the pitches that we have made for inward investment have been done very much on a regional basis. For example, in the discussions that we had with Heathrow airport about its logistics hubs, which I know that other parts of Scotland have pitched for, the proposal that we put to the airport with regard

to the sites that we offered, was very much on the basis of us operating as a city region, not just as Glasgow city. There are clear benefits to such an approach. That is the direction of travel and that is why the regional economic partnerships have been put in place.

Perhaps it would be wrong to say that Glasgow has the advantage, but it is probably a step ahead simply because we had already put regional working in place as a result of the city deal. Regional education collaboratives have also been in place for about 18 months. The officer lead on the Glasgow city region collaborative is from East Renfrewshire and its councillor chair is from Renfrewshire. Working collaboratively on a regional basis to consider our curriculum and the skills pathways from our schools into the high-skill jobs of the future that we are creating ensures that, as a region, we are equipping the young people in our schools to be able to take advantage of those high-value, high-skill jobs. It is much better when that type of work takes place on a regional basis.

On the question of whether such regional working requires major structural change or legislation, we are demonstrating that it does not. If the political will to work collectively and the relationships between senior officers are there, we are able to move forward with agreement on what our priorities are. Those relationships are just as important as—if not more important than—political will, because, as the city region cabinet has demonstrated, politicians come and go, but the officers are there for longer. We also have a regional economic strategy, which is the basis for a lot of that collaborative work.

**Graham Simpson:** My question follows on from that. This committee dealt with the Planning (Scotland) Bill. Thankfully, it is now finished with it—it took rather a long time. One of the proposals in that bill was to scrap strategic development plans. The committee rejected that idea. However, does Glasgow as a city region have a model that could be replicated or used to deal with regional planning? Everything that Councillor Aitken has said backs up the idea that we need regional working. There is no doubt that we need to plan regionally, but it is about finding the right model. Does the Glasgow city region have it?

**Kevin Rush:** Yes, I think that we do. We have an established regional planning structure with the Clydeplan development team. Our view on the planning bill is that, regardless of what comes out as a statutory duty for us with regard to regional planning, we will do regional planning anyway. We will take forward a regional spatial strategy regardless of what the statutory duty is, because it seems somewhat inconsistent with a lot of the regional working that we are taking forward to take

away a layer of something that we have done historically.

We have a watching brief on the planning bill. I do not mean the statutory duty is neither here nor there, but we will be taking forward a regional approach anyway. Specifically, the model that we have through the Clydeplan team has worked well. Once the planning bill is out the way, we will have discussions with Clydeplan about how that model integrates more closely with the regional structures. However, as I said, we are supportive of regional planning as a principle.

**Councillor Aitken:** I add that those regional approaches obviously have to balance with local democratic accountability and the elected members who represent the communities where planning decisions have an impact. That issue needs to be worked through as regional economic partnerships progress. We have had some experience of it with the city deal, where, in actual fact, it all went fairly smoothly. However, we should accept that it is inevitable that there will sometimes be tensions between what officers wish to do and plan for on an operational basis and what elected members want locally. That is the nature of local government and that is absolutely fine.

**Graham Simpson:** That is fine by me—you are not there to agree with your officers all the time.

**The Convener:** I thank Councillor Aitken and the rest of the panel for that very useful session. A further evidence session on city region deals will take place on 13 March, when we will hear from representatives of more recently agreed deals.

11:25

*Meeting continued in private until 11:29.*



This is the final edition of the *Official Report* of this meeting. It is part of the Scottish Parliament *Official Report* archive and has been sent for legal deposit.

---

Published in Edinburgh by the Scottish Parliamentary Corporate Body, the Scottish Parliament, Edinburgh, EH99 1SP

---

All documents are available on  
the Scottish Parliament website at:

[www.parliament.scot](http://www.parliament.scot)

Information on non-endorsed print suppliers  
is available here:

[www.parliament.scot/documents](http://www.parliament.scot/documents)

For information on the Scottish Parliament contact  
Public Information on:

Telephone: 0131 348 5000

Textphone: 0800 092 7100

Email: [sp.info@parliament.scot](mailto:sp.info@parliament.scot)

---



The Scottish Parliament  
Pàrlamaid na h-Alba