



2017/18

ANNUAL PERFORMANCE
REPORT

Key achievements to date



All projects

selected and funding
allocated



>£22 million

52% of all Tier One contracts
won by local companies



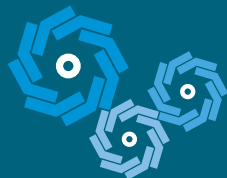
27

high level City Deal Projects:
5 projects and
4 sub projects completed
to date



8,000

young people
supported into
employment
through Youth
Gateway



**Over
£200 million**

infrastructure spend
approved



57

business cases
approved
to date

Welcome

The Annual Performance Report for the period ending 31 March 2018 marks the three year milestone of the Glasgow City Region City Deal agreement. As such it is worth reflecting back on the significant progress made to date by the partnership of eight City Region councils. Our City Deal was the first to benefit from funding from both the Scottish and UK Governments and the first to be established in Scotland. Of the 30 UK City Deals agreed to date, ours is one of the largest.

While our third year in operation has witnessed a degree of change and challenge. This is to be expected in a Programme of its scale and ambition and we continue to report good progress, both in the City Deal and in the principle and practise of developing regional economic growth.

In August 2017, we appointed a Director of Regional Economic Growth to oversee the City Deal and the delivery of the Regional Economic Strategy. The past year has seen an increasing focus on City Deals in Scotland and this has proved helpful in supporting the development of our City Deal and in highlighting a number of issues we are keen to develop. To support the delivery of genuinely inclusive growth in the City Region, we are progressing a review of the Programme. This will help us align to the requirements of our funders and ensure we maximise the opportunities offered by the City Deal. As the first City Deal in Scotland, we are in the privileged position to be establishing the foundations and frameworks from which other Scottish City Deals can surely benefit.

The vast majority of our 27 projects are underway to one extent or another and in fact a number have already completed. All three Innovation and Business Growth projects are

complete and in operation - we now look to the outcomes. Of our three employability and skills projects, Youth Gateway completed in the period, substantially ahead of target, with over 8,000 young people into employment. The In Work Progression pilot will finish within the year and while referrals to Working Matters have now closed, support to existing clients has been extended to allow those people already on the programme to benefit from a further year of support. Learning from these projects will assist us to develop further and hopefully even better schemes. In the past twelve months, our physical and social landscape continues to change with extensive progress made in infrastructure projects underway and a number of sub projects completed. In fact, in the three year period since we began, over £100 million has been spent on City Deal infrastructure projects.

Looking to the year ahead and beyond, we are in a strong position to meet the first evaluation, the Gateway Review in 2019, an important milestone. Establishing a framework for embedding Inclusive Growth in all that we do and monitoring and evaluating progress and benefits from projects underway will provide a key focus for the City Deal.



Susan Aitken

Leader of Glasgow City Council and
Chair of the Glasgow City Region Cabinet



City Deal in numbers



£1.13 billion

Infrastructure programme



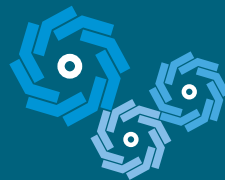
27

projects over three themes



£18.7 million

funding to support Innovation and Business Growth



£24.6 million

Skills and Employability schemes

£3.3 billion
private sector investment



Supporting
5,500
people back into work

£2.2 billion
additional GVA per annum



Work with
19,000
unemployed residents



Overview

Glasgow City Region is the largest city region in Scotland and one of the largest in the UK. With a population of 1.8 million people, it is a key engine of economic growth for both the Scottish and UK economies, generating 32% of Scotland's Gross Value Added, 33% of Scottish jobs and is home to 29% of all businesses in Scotland. Eight local authorities make up the region: East Dunbartonshire, East Renfrewshire, Glasgow City, Inverclyde, North Lanarkshire, Renfrewshire, South Lanarkshire and West Dunbartonshire.

Our ground-breaking City Deal, the first in Scotland and one of the largest in the UK, was signed in August 2014 by the Member Authorities with the UK and Scottish Governments.

The partnership, with Glasgow as the lead authority, was the first to benefit from funding from both the UK and Scottish Governments, with £500 million provided from each for infrastructure investment and the local authorities contributing a further £130 million.

The £1.13 billion infrastructure fund will deliver 21 projects focusing on improving connectivity and unlocking new sites across the region for commercial, housing and retail development.

A further three innovation projects have been supported by £18.7 million funding from the Department for Business, Energy and Industrial Strategy (BEIS) and three employment projects are funded to £24.6 million through contributions from the Department for Work and Pensions and the Member Authorities.

Together these City Deal projects will enable a programme of work which will greatly add to the value of the local economy over the next 20 years.

Over its lifetime, it is estimated that the City Deal will:

- Deliver £2.2 billion in additional GVA per annum (a 4% uplift) across the city region;
- Support an additional overall increase of around 29,000 jobs in the city region;
- Create 15,000 construction jobs through the ten year City Deal construction programme;
- Work with 19,000 unemployed residents and support over 5,500 back into sustained employment;
- Lever in an estimated £3.3 billion of private sector investment to support the delivery of the projects within the infrastructure programme;
- Spread the benefits of economic growth across the region, ensuring deprived areas benefit.





Milestones

APRIL 2017

- > **GCR submission:** Scottish Parliamentary Inquiry into City Deals
- > **Annual Implementation Plan 2017/18**
- > **Audit Scotland** Annual Audit Plan 2017/18
- > **Internal Audit Plan 2017/18**
- > **Cabinet approves** establishment of Intelligence Hub
- > **Full Business Case approved:** Canal and North Gateway FBC3
- > **Full Business Case approved:** MGSDP - Tender Package 1, Camlachie Burn

MAY 2017

- > **Grant Pass-down 2016/17**
- > **Public consultation** event on Ocean Terminal
- > **Fact finding visit:** Tay Cities Deal
- > **Clyde Waterfront Renfrew Riverside and Glasgow Airport Investment Area** public consultations
- > **Metropolitan Glasgow Strategic Drainage Partnership** consultation events

JUNE 2017

- > **First Cabinet** post April local government election
- > **Unaudited PMO Accounts 2016/17**
- > **Welsh Assembly** fact finding visit
- > **Full Business Case approved:** Enabling Infrastructure Integrated Public Realm - Sauchiehall Street
- > **Full Business Case approved:** Collegelands Calton Barras Public Realm Phase 1
- > **Full Business Case approved:** Newton CGA - Park and Ride
- > **Planning application** submitted for Clyde Waterfront and Renfrew Riverside and Glasgow Airport Investment Area projects

JULY 2017

- > **Results of public consultation** on CWRR and GAIA
- > **First Programme Contracts Register** finalised
- > **ICE shortlisted** for Inspiring City Awards
- > **Business Innovation Manager** starts at ICE
- > **GCR and Glasgow Airport** Expression of Interest submitted a completed EOI for Heathrow Logistics Hubs

AUGUST 2017

- > **Three year milestone** of City Deal agreement
- > **Appointment** - Director of Regional Growth
- > **Scotland Office** Ministerial visit to Renfrewshire
- > **Audited PMO Accounts 2016/17**
- > **Internal Audit Report** on financial monitoring
- > **Newton Park Primary School** opens
- > **One Year Anniversary** – The Tontine
- > **Full Business Case approved:** Youth Gateway Project

SEPTEMBER 2017

- > **GCR Strategic Infrastructure Summit**
- > **Hampden Meet the Buyer event:** City Deal hosts an exhibition stand
- > **City Deal future contracts planner** issued, with categories, timelines and values
- > **Business in Parliament Conference:** Chair of ELB, Lord Haughey, represents GCR City Deal

OCTOBER 2017

- > **New film** on the Glasgow City Region City Deal released
- > **200th Working Matters** client into employment
- > **Approach to Gateway Review 1** approved by Cabinet
- > **Revised approach** to business case approvals agreed
- > **Regional Economy Team** in place

NOVEMBER 2017

- > **Evidence sessions:** Scottish Parliament Inquiry
- > **Local Government and Communities Committee** visit Glasgow Airport and Ferguslie Park in Paisley, as part of Scottish Parliamentary Inquiry
- > **Planning outcome** on Glasgow Airport Investment Area
- > **State of the City** Conference
- > **Partnership agreement:** Scottish Canals and Scottish Water for North Glasgow Integrated Water System
- > **Three GCR sites** long-listed as potential Heathrow logistics hubs

DECEMBER 2017

- > **Announcement:** the new National Manufacturing Institute for Scotland to be located in Renfrewshire on the GAIA project site
- > **Audit Report** on Skills and Employability Programme Governance
- > **Full Business Case approved:** East Renfrewshire Business Boost
- > **In Work Progression:** target achieved for Care Sector employers engaged in pilot

JANUARY 2018

- > **Lord Duncan** visits Glasgow Sighthill project
- > **Scottish Parliamentary Inquiry** on City Region Deals findings published
- > **Public realm** works start at Sauchiehall Street and Collegelands Calton Barras
- > **First meeting:** GCR Education Committee

FEBRUARY 2018

- > **Glasgow City Region Annual Audit Plan** for 2017/18 issued by Audit Scotland
- > **Glasgow City Region response** issued to call for evidence on Planning (Scotland) Bill 2017
- > **Westminster Hall Debate** on City Deals
- > **Twitter:** 1,000 followers milestone
- > **Working Matters** social media campaign

MARCH 2018

- > **ICE:** One year anniversary of formal opening
- > **Scottish Parliament debate** on City Deals
- > **Youth Gateway projects** completes, with 8,000 young people supported into employment
- > **MIPIM:** GCR (Cannes)
- > **Intelligence Hub:** Workshop
- > **Revised developer masterplan:** Ravenscraig

Governance Structures





Governance and Scrutiny

As would be expected of a Programme of its size, scope and ambition, the Glasgow City Region City Deal is underpinned by formal governance arrangements and ongoing scrutiny.

Governance

Governance arrangements for the City Deal were agreed by government, are set out in the Assurance Framework and align to the Programme Business Case. Current structures are shown on page 8.

In 2014, a Joint Committee was established by the member authorities, constituted under Section 57 of the Local Government (Scotland) Act 1973. The Joint Committee, known as the Glasgow City Region Cabinet, is made up of the Leaders of the participating authorities. The Cabinet is responsible for decision making in relation to the City Deal and for determining the strategic economic development priorities for Glasgow City Region. Meetings are held every eight weeks and are open to the public, with papers available through the City Deal website.

The Programme Management Office (PMO) acts as a secretariat for the Cabinet and is the central point for appraisal and monitoring of all aspects of City Deal. The Cabinet is supported by a Chief Executives' Group (CEG), which oversees the management of the PMO in its delivery of the operational functions of the Cabinet. The CEG proposes a programme of work and where required provides recommendations.

The CEG is supported by a number of sub-groups, made up of officers from the participating councils. To further the existing collaboration between the eight local authorities, in June 2016 the Leaders agreed that a distributive leadership model based around eight portfolios would drive wider regional economic growth.

The Programme Liaison Group (PLG), made up of representatives from the UK and Scottish Governments, meets quarterly and is the core mechanism for reviewing and monitoring performance by government, ensuring the City Deal remains on track for delivery and its adherence to the terms set out in the Assurance Framework. The Airport Access Project Ministerial Steering Group, with representation from the Scottish Government, Glasgow City Council, Renfrewshire Council, Transport Scotland, Glasgow Airport and Network Rail, has been established to provide a forum for senior level discussions in relation to the project.

The Programme is underpinned by a series of monitoring status reports on projects and the programme, produced by Member Authorities and the PMO. The PMO provides progress reports to each meeting of the CEG, Cabinet and the PLG. Reports provide a record of progress and are a basis for project scrutiny.

The Glasgow City Region City Deal is underpinned by formal governance arrangements and ongoing scrutiny. The period of the report saw the launch in April 2017 of the Scottish Parliamentary Inquiry into City Region Deals, the following investigation, findings and recommendations. The report of findings and recommendations was published in January 2018.



Audit

The Programme is subject to a series of planned Audits, externally by Audit Scotland and internally, by Glasgow City Council Internal Audit, appointed by the Cabinet. An annual plan for audit activity for the year ahead is agreed by Cabinet, with findings, recommendations and progress on follow up actions reported throughout the year.

Summary of Audit Activity April 2017 - March 2018

Cabinet	Activity
April 2017	<p>Audit Scotland Annual Audit Plan for 2017/18: A review of the financial statements, the appropriateness, effectiveness and impact of corporate governance, performance management arrangements and financial sustainability.</p> <p>Internal Audit Plan for 2017/18: A review of Assurance Framework requirements; Governance of Skills and Employability projects; PMO Governance and Operations.</p> <p>Internal Audit assurance report on the review of Financial Transactions. A reasonable level of assurance was placed on the control environment, with six recommendations for improvement.</p> <p>Follow-up Audit Report.</p>
August 2017	<p>Internal Audit assurance report on the review of Financial Monitoring. A reasonable level of assurance was placed on the control environment, with one area for improvement identified.</p> <p>Internal Audit Annual Report for 2016/17 noted and Annual Governance Statement for 2016/17 approved.</p>
December 2017	<p>Internal Audit assurance report on the review of Governance Arrangements for the Skills and Employment Programme. A reasonable level of assurance was placed on the control environment, with five actions for improvement noted.</p> <p>Follow-up Audit Report.</p>
February 2018	<p>Audit Scotland Annual Audit Plan for 2017/18: Audit will cover Financial Statement issues and risks, with findings reported in August 2018.</p>

Scottish Parliamentary Inquiry

The period of the report saw the launch in April 2017 of the Scottish Parliamentary Inquiry into City Region Deals, the following investigation, findings and recommendations. A call for written evidence in May 2017 drew 39 submissions and in November 2017 a series of evidence sessions were held with representatives from government, key Scottish City and Region Deals and other organisations.

The report of findings and recommendations was published in January 2018 and focused on where improvement could be made to governance, project selection, monitoring and economic evaluation.

In February 2018, Glasgow City Region Cabinet discussed the findings and agreed a series of mitigations and next steps. A letter was subsequently issued to the Local Government and Communities Committee (which led the Inquiry) on behalf of Cabinet setting out details of the Programme review underway.

Westminster Hall Debate

A thirty minute debate was held in Westminster Hall on Tuesday 27 February 2018 on the subject of Progress on Scottish City Deals. A transcript of the debate is available.



Programme Status

In the period of the report, a new approach to business case approvals was introduced, the PMO formally assessed 11 business cases and led on a series of capacity building activities for those involved in the development, writing and management of business cases. A comprehensive exercise to review the Programme was also initiated and is now underway. Work to lead on and support these activities has required substantial PMO resource.

Approval of Business Cases

A new approach to the approval of business cases became effective from 1 November 2017. Under the revised process, all **Strategic** and **Outline** Business Cases will now be considered/approved by Cabinet, with approval of **Full** Business Cases delegated by Cabinet to the Chief Executives' Group.

This is on the basis the CEG is satisfied that the Full Business Case does not represent a substantial change from the approved Outline Business Case. The revised approach constitutes an amendment to the Assurance Framework and as such was approved by Cabinet and by both governments.

Member Authority	Project	Sub Project	Business Case	Approval Date
Infrastructure - Business Cases Approved				
East Renfrewshire	M77 Strategic Corridor	East Renfrewshire Business Boost	FBC	12 December 2017
Glasgow	MGSDP	Camlachie Burn	FBC	11 April 2017
	Enabling Infrastructure: Integrated Public Realm	FBC1: Sauchiehall Street West Phase 1	FBC	6 June 2017
	Collegelands Carlon Barras	FBC 1: Calton Barras Action Plan - Barras Public Realm	FBC	6 June 2017
Inverclyde	Ocean Terminal		OBC	10 October 2017
	Inverkip		OBC	10 October 2017
North Lanarkshire	A8/M8 Corridor Access Improvements	Holytown Link Road/Eurocentral Park and Ride/Share	OBC	6 June 2017
	Pan Lan Orbital Transport Corridor	Ravenscraig Infrastructure Access	SBC	12 December 2017
South Lanarkshire	Community Growth Area - Newton	Newton CGA Park and Ride	FBC	13 June 2017
West Dunbartonshire	Exxon Site Development Project		OBC	11 April 2017
Skills and Employability - Business Cases Approved				
Renfrewshire	Youth Gateway		FBC	15 August 2017

Programme Review

A summary of the Programme Review underway was considered at February 2018 Cabinet. The review is not intended to change investment decisions which have already been taken, but to ensure that the programme is fit for purpose as it moves into the delivery phase. The review is made up of three works streams:

Compliance with HM Treasury Green Book

Following agreement with the UK and Scottish Governments, an independent review of all project Outline Business Cases (OBCs) issued to date is being carried out to identify areas where they could be improved to demonstrate full compliance with the latest version of HM Treasury Green Book. Based on the findings, Member Authorities will update project OBCs.

These will then be reviewed by the PMO, with details of changes made to previously approved business cases recorded and presented to Cabinet. Approximately 26 OBCs have been issued to the PMO to date.

The exercise also identified required changes to both the Assurance Framework and the business case review template to ensure full Green Book compliance. The revised template has been approved by government.

To support this process and assist with capacity building, the PMO arranged a programme of Business Case training, with fifty places available to PMO and Member Authority staff on two levels of training course – **Foundation** in the Treasury methodology and **Practitioner** for those directly involved in the development, writing and management of business cases. The training will improve capacity across each authority to develop Green Book compliant business cases.

Inclusive Growth

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

- **Developing an Approach to Measuring and Maximising Inclusive Growth in the Delivery of Individual Projects:** The Commission is leading on a pilot exercise, learning from which will be applied to other City Deal projects.
- **Articulating the Glasgow City Region City Deal contribution towards Inclusive Growth:** Building on the Scottish Government's inclusive growth diagnostic tool, the Commission will work with the PMO, the emerging Intelligence Hub and the Cabinet to provide an assessment of the extent to which the City Deal projects can contribute towards inclusive growth.
- **Providing advice on the support required from partners to achieve Inclusive Growth:** The City Deal infrastructure projects do not exist in isolation. Their impact on inclusive growth will often rely upon the public services that are put in place around them. The Commission will help to identify and provide advice on actions required to maximise inclusive growth.

Complementary Funding Process

A Complementary Funding process is required to allow the City Deal Infrastructure Fund to be flexible and enable the reinvestment of funding that may become available through a project underspend, unexpected factors affecting delivery or through alternative funding streams. To take this forward, the PMO has begun scoping work which involves engagement with stakeholders and takes account of principles set out in the Assurance Framework and the greater focus on Inclusive Growth since the City Deal was signed.

The following sections provide a progress update on each of the three Programme themes: Infrastructure, Skills and Employment and Innovation and Business Growth.



Infrastructure

A fund of £1.13 billion will support 21 infrastructure projects across the region for roads, bridges, improved transport infrastructure, quay walls, remediation, construction and public realm works, assisting further retail, commercial and housing developments. The UK and Scottish Governments will each provide £500 million in grant funding and the local authorities will contribute a further £130 million.

Value:

£1.13 billion



Progress at 31 March 2018:

£103.2 million

spend to date

57 business cases

approved to date

11 new business cases

reviewed and approved in the period

5 full business cases

approved in the period

- East Renfrewshire Business Boost
- MGSDP - Camlachie Burn
- Enabling Infrastructure: Integrated Public Realm: Sauchiehall Street West Phase 1
- Collegelands Carlton Barras - Action Plan Barras Public Realm
- Newton Community Growth Area - Park and Ride

5 projects/sub projects

completed to date

- Cathkin Relief Road
- Crossmill Business Park
- Sighthill Remediation Contract 1
- Newton Park and Ride
- Newton Park Primary School.

£46.879million

expenditure against grant funding of £30 million in 2017/18



Infrastructure

In the period of the report, a number of infrastructure sub projects were completed and substantial progress was made to projects underway.

In November 2017, the £11 million Sighthill remediation contract was concluded. The contract involved the remediation of historical contamination, a result of the site's industrial past, extensive demolition works, drainage diversions and infrastructure works, including the creation of a platform for the new community school campus.

Contract 2 is now on site involving earthworks to create the platforms for new housing, utilities, public realm, road infrastructure and the new Sighthill Park. In South Lanarkshire, the Park and Ride for the Newton Community Growth Area project completed in December 2017 and the new Newton Farm Primary School opened in August 2017. These sub projects serve to improve transport connectivity and support house building in the area.

Renfrewshire's Glasgow Airport Investment Area project was further boosted by news in December 2017 that the National Manufacturing Institute for Scotland (NMIS) will be based at the key project site and, together with the new Medicines Manufacturing Innovation Centre (MMIC), will be the anchor for the new 130-acre Advanced Manufacturing Innovation District Scotland (AMIDS). Following the audit commissioned by Transport Scotland on the Outline Business Case for the Airport Access Project, work is continuing in collaboration with key stakeholders to address the audit findings. While a decision is awaited on the called-in planning application for the Clyde Waterfront and Renfrew Riverside project, the project continues to be progressed in a proportionate manner.

Following the withdrawal of the Tax Incremental Financing for Ravenscraig which forms part of the Pan Lanarkshire Orbital project, North Lanarkshire Council submitted a revised SBC to Cabinet in December 2017, with the ambition to deliver the full extent of the project and realise the significant economic potential of Ravenscraig.

In March 2018, encouraged by North Lanarkshire Council's announcement of the £190 million roads programme, private developers submitted an ambitious masterplan which aims to attract significant further investment into the site, with proposals for housing, two primary schools, a park and a range of other community and commercial, retail and industrial facilities.

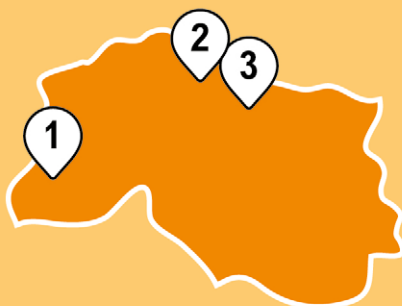
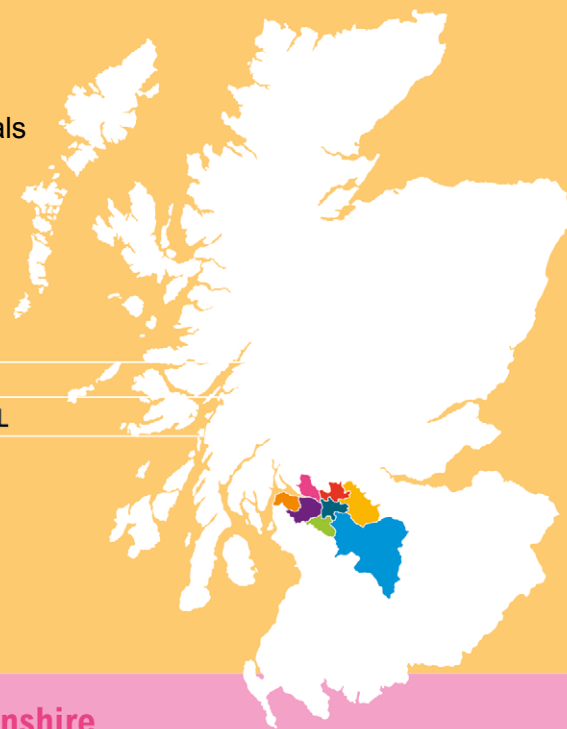
Eleven new business cases were reviewed and formally approved in the reporting period, including five Full Business Cases:

- East Renfrewshire Business Boost;
- MGSDP- Camlachie Burn;
- Glasgow City Centre Enabling Infrastructure: Integrated Public Realm: Sauchiehall Street West Phase 1 (Work began January 2018);
- Collegelands Carlton Barras - Action Plan Barras Public Realm (Construction began January 2018);
- Newton Community Growth Area - Park and Ride (Completed December 2017).

In 2017/18, Member Authorities spent a total of £46.879 million on infrastructure projects, with grant funding provided of £30 million, resulting in spend to date of £103.151 million and cumulative grant funding of £90 million.

Infrastructure Projects

There are 21 Infrastructure projects, some of which are made up of sub projects. High level projects are shown in bold capitals (as Glasgow has >60 sub projects – only high level projects are shown). Numbers in the maps indicate project/sub project locations. Note: the £30 million SPT regional transport infrastructure project is not included below.



Inverclyde

- 1 INVERKIP
- 2 OCEAN TERMINAL
- 3 INCHGREEN



West Dunbartonshire

- 4 EXXON SITE DEVELOPMENT PROJECT



Renfrewshire

- 5 REGIONAL AIRPORT ACCESS PROJECT
- 6 GLASGOW AIRPORT INVESTMENT AREA (GAIA)
- 7 CLYDE WATERFRONT AND RENFREW RIVERSIDE (CWRR)



Glasgow

- 8 CLYDE WATERFRONT WEST END INNOVATION QUARTER (30 sub projects)
- 9 CANAL AND NORTH GATEWAY (14 sub projects)
- 10 CITY CENTRE ENABLING STRUCTURE PUBLIC REALM (17 sub projects)
- 11 COLLEGELANDS CALTON BARRAS (6 sub projects)
- 12 MGSDP (7 sub projects)

North Lanarkshire

13 GARTCOSH/GLENBOIG COMMUNITY GROWTH AREA

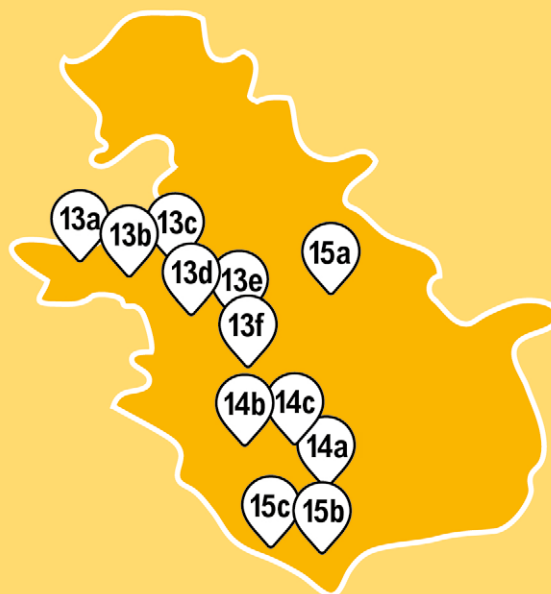
- 13a Horshill Park and Ride (M80 corridor Car Park)
- 13b Cardowan to Lochend Link Road
- 13c A80 Link Road
- 13d Gartcosh Station Park and Ride
- 13e Glenboig Link Road (including nature reserve)
- 13f Gartsherrie Link Road

14 A8/M8 TRANSPORT CORRIDOR

- 14a Holytown Link Road
- 14b Orchard Farm Roundabout
- 14c Eurocentral Park and Ride/Share

15 PAN LANARKSHIRE ORBITAL TRANSPORT CORRIDOR

- 15a East Airdrie Link Road
- 15b Motherwell Town Centre Infrastructure (Muir Street and Park and Ride/active travel)
- 15c Ravenscraig Infrastructure



South Lanarkshire

16 COMMUNITY GROWTH AREAS

- 16a Community Growth Area: Newton
- 16b Community Growth Area: East Kilbride
- 16c Community Growth Area: Hamilton
- 16d Community Growth Area: Larkhall

17 CATHKIN RELIEF ROAD

18 STEWARTFIELD WAY TRANSPORT CAPACITY

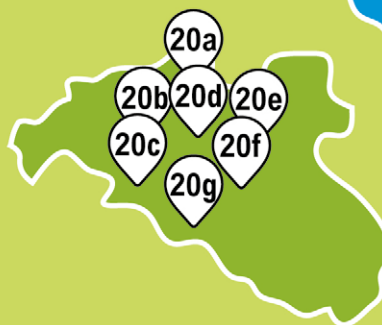
19 GREENHILLS ROAD A726 DUAL CARRIAGEWAY



East Renfrewshire

20 M77 STRATEGIC CORRIDOR

- 20a Lavern Works
- 20b New Railway Station: Barrhead
- 20c Balgraystone Road Upgrade
- 20d Country Park Visitor Centre
- 20e East Renfrewshire Business Boost
- 20f Aurs Rd Realignment
- 20g Lavern Valley Link





Case Study: Newton Community Growth Area

Newton is one of four community growth areas identified in South Lanarkshire as part of City Deal. It is anticipated that up to £10.1 million of City Deal support will be spent on the project and some of this money has already delivered a new school, increased spaces at the railway station's park and ride facility and will see a total of 1,500 new homes built in the area.

These projects enhance the lives of the people living in the area – and beyond.

The new £13.4 million school is a two storey steel frame building with 14 mainstream classrooms, four ASN (additional support needs) classrooms, two nursery playrooms and extensive support spaces such as offices, stores and meeting room.

There is also a large gym hall with built in stage and lighting equipment and a separate dining hall. Both of these can be utilised by the community outwith school hours.

Externally there are extensive landscaped grounds with an enclosed MUGA (multi use games area) as well as a variety of play equipment to suit all ages and stages at the school and nursery. Pupils can also enjoy the full size 3G pitch.

An additional 155 park and ride spaces at Newton Rail Station, with supporting path links and access, has also been created costing £1 million.

This will assist in offsetting congestion in the area due to increased vehicle numbers, offering a green alternative mode of travel for work and recreation.

As well as the additional park and ride spaces, five disabled park and ride spaces have been provided. Improved access via a new stairway and ramp located close to the existing bus stops will encourage multi modal methods of travel to and from work.

£13.4million

two storey steel frame building
with 14 mainstream classrooms



Case Study: City Deal delivering for Local Businesses and Residents

City Deal funding is supporting the build of Greenlaw Business Centre in East Renfrewshire. Expected to open in early 2019, the facility will help meet a growing demand for flexible business space in the area, creating new jobs, supporting start-ups and small businesses growth.

Locally based. Morrison Construction is the main contractor, having secured the £3.9 million tender via PCS which hosts all applicable City Deal contracts. Embracing the ethos of delivering community benefits through City Deal contracts, Morrison Construction is creating four new construction jobs and delivering a wide range of targeted work placements, skills development activities and support for community projects.

This includes supporting two fully funded construction pre-apprenticeship courses aimed at East Renfrewshire/Glasgow City region residents which should lead to apprenticeships, jobs or further training opportunities for successful individuals. Two 'Meet the Buyer' events for local construction SMEs were hosted and two existing apprenticeships supported.

Cameron McCulloch secured one of four new construction jobs created as part of the project, pictured with Allan Cunningham, Morrison Construction and Tony Buchanan, Leader of East Renfrewshire Council.



Case Study: Social Media Campaign

A social media campaign ran in February 2018 to raise awareness of the closing date for Working Matters referrals.

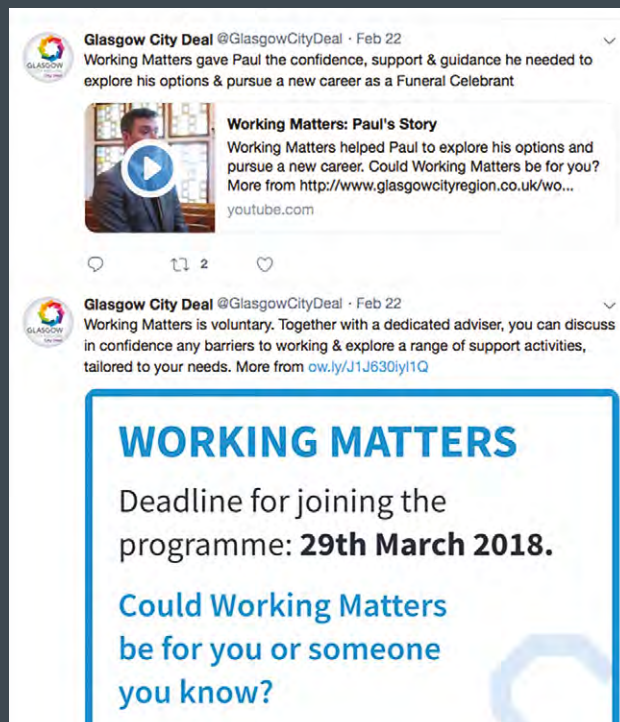
Four short films were created from interviews with Working Matters clients and the operational lead. Along with a series of bespoke info graphics, these were promoted via the City Deal twitter, YouTube and website channels. A range of public and third sector stakeholders were engaged to provide support via re-tweets/likes and awareness raising to other relevant organisations.

Twitter engagements for the month were 169,000, compared to a 20,000 monthly average and the YouTube channel gained over 400 film views – which would indicate an excellent depth of reach. Overall, it was considered the campaign worked well and the intention is to build on learning gained for future activities.



169,000

Twitter engagements for the month,
compared to the 20,000 monthly
average





F Skills and Employment

Over its lifetime the City Deal is set to create 29,000 new jobs across the region, in addition to 15,000 temporary jobs during the construction period and will support 5,500 unemployed people back into work. Regional employment challenges are being supported through three new labour market projects - providing targeted support to 16-24 year olds; to vulnerable residents; and through a pilot labour market project in the Care sector. A Skills and Employment group, established in 2015, oversees these projects.

WORKING MATTERS: A new employment scheme for people in receipt of health related benefits, targeted to work with 4,000 people, assisting at least 600 into sustained work.

Value:
£9 million



Status: Engagement stage completed with support for existing clients extended until March 2019.

Progress at 31 March 2018:

Targets revised
due to low referral volumes
3,366 clients engaged
105% of target

330 new jobs
68% of target to date.

IN WORK PROGRESSION: A pilot labour market progression project in the Care sector to support the training and development of staff and sector resilience.

Value:
£600,000



Status: Some changes introduced in response to learning, with end date extended to 31 July 2018.

Progress at 31 March 2018:

20 targeted
engagements

122 interventions
Over 300% of target

186 staff
who have developed skills and earning potential.

YOUTH GATEWAY: An integrated regional employment programme for young people (Aged 16-24), targeted to help 5,000 into sustained work.

Original Value:
£15 million/Member Authorities
invested £31.8 million



Status: Project complete, learning and proposals being developed for a regional approach from 2019.

Progress at 31 March 2018:

Project completed
and all targets exceeded

18,644 engaged
124% of target

8,085 into employment
161% of target.

Working Matters

Working Matters has already helped thousands of Glasgow City Region residents in receipt of health related benefits to begin the journey into long-term employment.

Working Matters began in August 2015 as a three year pilot, funded equally by the Glasgow City Region partners and the Department for Work and Pensions (DWP). In October 2017, the DWP agreed to reduce the target for client engagements to 80% in order to address performance issues that had arisen as a result of the low number of client referrals to the project. Both the DWP and partners also

agreed that ongoing support to existing clients would be extended by one year until the end of March 2019 when the project will conclude, maximising the ability of member authorities to achieve job targets.

By the end of March 2018, the project had achieved 105% of the revised engagement target with 3,366 successful engagements against a target of 3,217. In terms of job outcomes, the project achieved 68% of target, at 330 jobs, with significant other additional outcomes achieved. Details for each Member Authority are shown below.

Working Matters 24 August 2015 - 31 March 2018

Member Authority	Engagement			Secured Employment		
	Target	Actual	Percentage Achieved	Target	Actual	Percentage Achieved
East Dunbartonshire	82	105	129%	12	11	92%
East Renfrewshire	61	78	127%	9	8	89%
Glasgow	1,550	1,636	106%	232	124	53%
Inverclyde	174	220	126%	26	28	108%
North Lanarkshire	372	399	107%	56	71	127%
Renfrewshire	363	381	105%	54	42	78%
South Lanarkshire	423	405	96%	65	39	60%
West Dunbartonshire	192	144	75%	29	7	24%
Total	3,217	3,366	105%	483	330	68%



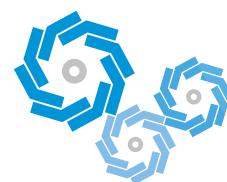
105%

of revised engagement target achieved



3,366

Successful engagements against a target of 3,217



330

jobs gained with significant additional outcomes achieved

Case Study: Working Matters

People in receipt of Employment Support Allowance (ESA) or Universal Credit who have submitted a fit note often struggle with a whole range of different issues that stop them from being able to take on paid work - such as disability, mental or ill-health, literacy or numeracy problems. Working Matters is voluntary and provides those joining the project with a dedicated adviser with whom they can explore options and who can provide access to a whole range of information, training, new skills and support, tailored to individual needs.

Anna Connan

Joined the Working Matters programme and is now in full-time employment at Glasgow City Council.



“When I was first referred to Working Matters, I had no confidence and no faith in myself. But the help I received allowed me to talk through my worries about going back into work. There was no pressure.

I was given choices and I chose to begin work experience in my local job centre. My work experience was a success from day one. Where I had lost faith in my abilities I was given hope and encouragement.

I was able to prove to myself that I still did have qualities to offer in the workplace. I moved on from the work experience, and now I am back in employment which is something I didn't believe could happen. Every aspect of my life has benefitted and I am now looking to the future.”

In Work Progression

The In Work Progression pilot is testing a business development approach to supporting the progression of employees in the care sector. The aim is to test if this integrated approach improves people's chances of progressing out of in-work poverty through increasing their skills and earning potential.

The pilot is an example of inclusive growth in practice with interventions benefiting the company as well as individuals. Funded by the partners with match funding from the Department for Work and Pensions, the pilot began on 1 April 2016. Ongoing evaluation has allowed the pilot to respond to issues and learning from its implementation.

In August 2017, the approach to funding employee training was adjusted following feedback from businesses struggling with training costs and the pilot has been extended to December 2018 to ensure that participating

businesses receive the level of support necessary to implement their action plans.

Performance figures from the end of March 2018, show the pilot is delivering positive impacts and learning, with the revised target for engagement achieved and the number of interventions substantially above target. A summary is set out in the table below.

The final evaluation report is due in January 2019 and will include a cost benefit analysis of the overall impacts.

In Work Progression - Progress to 31 March 2018

Action	Number Achieved	Target Number	Percentage Target Achieved
Employers engaged	20	20	100%
Employer support/intervention	122	40	305%
Staff engaged	186	400	47%
Staff with skills/earning potential developed	186	250	75%
Staff with positive steps to financial independence	18	300	6%

Case Study: In Work Progression

Growth in the Care Sector is inevitable due to demographic changes in our population. As such, it is important that the sector is resilient and able to meet this challenge, not just to play a key role in the region's economic future but to ensure it continues to provide vital services to our ageing population, alongside the public sector.

The key aim of the In Work Progression pilot is to work with care sector businesses and provide staff training and development which aids career progression and boosts wages. This is being achieved by a programme of business improvements and staff training tailored to each business. The pilot is demonstrating some early signs of success in the recruitment, retention and development of staff. Financial performance is improving and businesses are demonstrating the potential for reinvesting savings into the

development of their staff. It is also showing that through supporting our local care sector SMEs to be sustainable, the businesses are becoming more viable and can grow, create new jobs and meet the needs of the ageing population

Learning from the pilot which is being overseen by a wide range of stakeholders will be shared with City Region partners and help to shape a regional approach.



Rosemary Jalloh

Ashgill Care Home Manager,
Glasgow.

'In Work Progression has made a huge difference to Ashgill and we wouldn't be where we are today without it. In six months- we've gone from only 27 residents and high use of agency staff to being nearly full with little use of agency staff as our staff are much happier and see a future.

My team benefited from a range of training, which developed skills in medication administration, staff

supervision and taking charge of a unit which involves liaising with multi-disciplinary teams and relatives and which prompts a pay increases of a further £1 per hour. They now have greater knowledge and also more confidence to make changes within the home – so everyone benefits.'

Youth Gateway

Our ambition to reduce youth unemployment was supported through the three year Youth Gateway project which concluded at the end of March 2018, with all targets substantially exceeded.

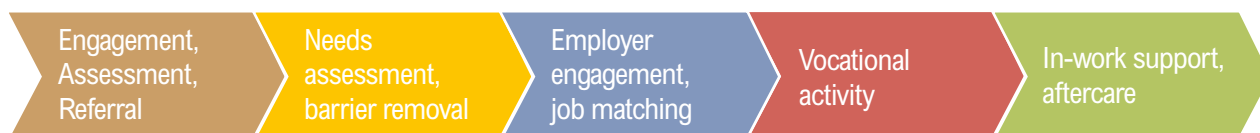
Youth Gateway provided an integrated employment service, using existing and planned investment in skills, training and employment support for unemployed young people. It aimed to engage with 15,000 unemployed young people aged 16-29 years and to support 5,000 to progress to sustained employment for a total investment of £15 million.

Despite a number of challenges, the partners were committed to providing a City Deal Youth Gateway programme at the scale and financial commitment initially outlined in the City Deal agreement. As such, a new model based on the **Five Stage Employability Pipeline** was developed. This focused on individual needs, identifying aspirations and work-readiness, and then delivering a tailored package of mixed support, including mentoring, specialised training, in-work support and recruitment incentives.

In terms of performance, Youth Gateway exceeded targets, with expenditure far in excess of the original £15 million investment. In total, **18,644 young people** were engaged in the project, 124% of target and 8,085 gained sustained employment, representing 161% of target. Member Authorities invested over £31.8 million compared to the original £15 million, an increase of over 100%. The value of increased investment is reflected in the significant increase in young people securing sustained employment.

A report which sets out lessons learned and the next steps for City Region youth employability services has been prepared.

Five Stage Employability Pipeline



Member Authority	Youth Gateway Target (3 years)			Final Performance (March 2018)		
	Target: number engaged	Target: number progressed into employment	Estimate Spend	Achieved: number engaged	Achieved: number progressed into employment	Spend
East Dunbartonshire	360	120	£360,000	375	193	£627,896
East Renfrewshire	300	100	£300,000	302	100	£330,871
Glasgow	6,300	2,100	£6,300,000	6,147	2,514	£14,719,590
Inverclyde	900	300	£900,000	1,121	366	£1,507,570
North Lanarkshire	2,400	800	£2,400,000	4,292	1,821	£5,914,459
Renfrewshire	1,560	520	£1,560,000	1,703	745	£2,928,084
South Lanarkshire	2,400	800	£2,400,000	3,342	1,631	£4,070,711
West Dunbartonshire	780	260	£780,000	1,362	715	£1,686,376
Total	15,000	5,000	15,000,000	18,644	8,085	31,785,557



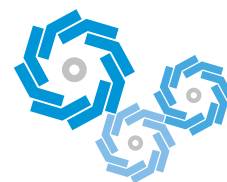
18,644

Young people were engaged in the project



8,085

Gained sustained employment
161% of target



£31.8 million

Member Authorities invested,
compared to the original
£15 million

The Imaging Centre of Excellence at the Queen Elizabeth Hospital in Glasgow brings together world-leading research, cutting edge technology and international business investment under one roof and will act as a hub for translating science into economic and patient benefit for Glasgow, Scotland and the UK.

Professor Dame Anna Dominiczak

Vice Principal and Head of the College of
Medical, Veterinary and Life Sciences





Innovation and Business Growth

With construction completed for all three Innovation and Business Growth projects in the last period, work is now underway to monitor and measure their contribution to the local economy and the benefits being derived from their operation.

MediCity: brings together academics, entrepreneurs, clinicians and business support services to boost the development of new healthcare services and medical technology.

Value:
£1.012 million



Status: Construction completed, opened March 2016, reporting on year two of activity on five year targets.

Progress at 31 March 2018:

11,000 square feet
of recovered commercial floor space

12 new projects/services
launched

£3.8 million
private investment raised

The Tontine: A new centre for business incubation and growth in Glasgow's Merchant City provides dedicated support and flexible work space for growing SMEs.

Value:
£1.67 million



Status: Construction completed, opened August 2016, reporting on year two of activity.

Progress at 31 March 2018:

238 jobs generated

18 new start
companies on site

Work underway
to develop a business plan for period beyond the City Deal

Imaging Centre of Excellence (ICE):

The University of Glasgow led facility will provide ground-breaking medical research and commercialisation facilities for clinical researchers, and companies developing new products in the life sciences sector.

Supported by:
£16 million City Deal funding,
as part of a £32 million project total



Status: Opened March 2017.

Progress at 31 March 2018:

Suite of 3 scanners
fully operational including Siemens 7-Tesla MRI, the first of its kind fully integrated within a UK clinical sites

Over 1,500 CT and MRI
clinical scans completed

Capacity
for up to 200 FTEs



MediCity Scotland

MediCity Scotland is a dedicated medical technology incubation facility based at BioCity Scotland Ltd in Newhouse, North Lanarkshire. It was established with the support of £1.012 million capital investment from the Glasgow City Region City Deal, with funding from the UK Department of Business, Energy Innovation and Strategy, matched with contributions from BioCity Scotland Ltd. Additional funding was also provided by North Lanarkshire Council and Scottish Enterprise.

The facility brings together academics, entrepreneurs, clinicians and business support services to assist the development of new healthcare services and medical technology. Over 11,000 square feet of office space and incubation workspace has been created through the refurbishment of a vacant building at the BioCity campus. Capital works for the project were completed in October 2015 and the site was officially launched on 17 March 2016.

A review of target outputs was recently undertaken and some targets have been

increased or modified to reflect strong performance to date.

By December 2017, 37 companies have been supported by the project, over 40 new jobs have been created, 12 new projects or services have been launched into the MedTech, healthcare or wellbeing market and nearly £3.8 million of private investment has been raised by companies based at MediCity.

£1.012 million

of capital investment from Glasgow
City Region City Deal



£3.8 million

of private investment has been
raised to date



The Tontine

The Tontine, based in Glasgow's Merchant City, supports and sustains the development of high-growth companies in the enabling technology, advanced design and manufacturing, and creative economy sectors.

Capital works for The Tontine completed on time and budget in March 2016, with the project then moving into delivery of outputs and outcomes. A Business Adviser is on-site permanently to co-ordinate business support and manage potential interest.

Tontine celebrated its first year anniversary in August 2017. As of the end of March 2018 the number of businesses occupying space in the building is 18, with the number of jobs generated 234.

A number of success stories have been reported where companies have successfully expanded and outgrown the space.

In partnership with Scottish Enterprise and GHSCP, Tontine will launch the £450,000 Open Innovation SME Challenge which will seek to attract SME's, to develop new products or services to support the care of people with critical care needs, to remain supported in their home. A revised Business Plan and Financial Projection will be produced, highlighting the options available for the building beyond the City Deal period.



234 new jobs
generated



Incremental Group enables government and industry to digitally transform their organisations, one step at time. Expansion will deliver the recruitment of multi-skilled digital technologists including Business Consultants, Software Engineers, Data Scientists and Project Managers.

Stuart Kerr

Chief Financial Officer

Neil Logan

Chief Executive Officer

Craig Donnelly

Chief Commercial Officer



Case Study: Incremental Group at the Tontine

Incremental Group, a digital technology services specialist, was one of the first companies to operate from The Tontine, taking tenancy with three employees in August 2016, electing to locate to Glasgow to take advantage of a skilled talent pool and the established cluster of digital economy companies in the area. Since then, the company has gone from strength to strength.

At the end of 2016 financial backing from Maven Capital Partners and the Scottish Investment Bank was announced and in 2017, Regional Selective Assistance support from Scottish Enterprise was secured, helping it to facilitate further expansion of the business through the creation of 48 new jobs in the period of a year. With staff numbers continuing to grow at pace, in April 2018 Incremental left the Tontine business incubator and moved to the near-by Garment Factory. By 2019 Incremental expects to employ 180 staff, with annual revenues approaching £20 million across the UK.

Neil Logan, Incremental Group CEO and co-founder said: "The Tontine played an important role in helping us create Incremental Group. When we first arrived over two years ago we were just three people with a vision to build a different type of digital services

company. Today we employ over 120 people. Tontine provided us with a first class office in the heart of the Merchant City that flexed to meet our requirements every step of the way. It was a fantastic year for us as a business and the team at Tontine were a big part of that."

Kevin Rush, Director of Regional Growth at Glasgow City Region said: "Incremental is a great example of what the Tontine is all about, demonstrating how quickly an ambitious company can grow in a relatively short space of time in the right environment with the right support and of course the right leadership. The Tontine is providing the space and dedicated help for a number of local businesses and we look forward to further successes, as they outgrow the environment and provide the opportunity for other small enterprises to come on board."



Creation of
48 new jobs
in the period of
a year



Today we employ over
120 people
The Tontine provided us
with a first class office

Imaging Centre of Excellence (ICE)

The University of Glasgow Imaging Centre of Excellence (ICE) opened in March 2017. The facility houses a £9 million 7 Tesla MRI ultra-high resolution scanner, which is the first of its kind to be fully integrated within a clinical site in the UK. ICE will allow ground breaking medical research into stroke, cardiovascular disease and brain imaging, as well as the commercialisation of facilities for clinical researchers and companies developing new products and services in the life science sector.



Now fully operational for basic scientific and clinical research, the facility is enhancing imaging capabilities of co-located scanners and is set to lead the way internationally in imaging and precision medicine and to attract more research projects and scientists to the city region.

Work is progressing towards readying the scanner for patient care and four NHS neurosurgery operating theatres are now fully operational within the facility. A benefits and evaluation plan has been developed and a

range of metrics identified which will be used to measure progress, especially in relation to jobs and business outcomes. The economic impact of ICE, as part of the wider precision medicine ecosystem will be independently evaluated at years three, five and ten of the project.

Based upon some revisions to the use of floor space within the building, a review of the forecast economic outcomes of ICE will be carried out. Any changes to anticipated outcomes will be reported by the PMO.

Case Study: MR CoilTech at ICE

“MR CoilTech relocated from Germany to be close to the infrastructure and multi-disciplinary expertise associated with ICE. We are a unique company, designing, developing and manufacturing specialist coils for use within MRI scanners, clearly a specialised market. With Siemens a key customer, this year we developed a novel coil to be used as part of the first 16-channel 7T system they are developing. We significantly benefit from being here in Glasgow, based within ICE and with access to the 7T scanner.”

Dr Shajan Gunamony, CEO and Founder of MR CoilTech

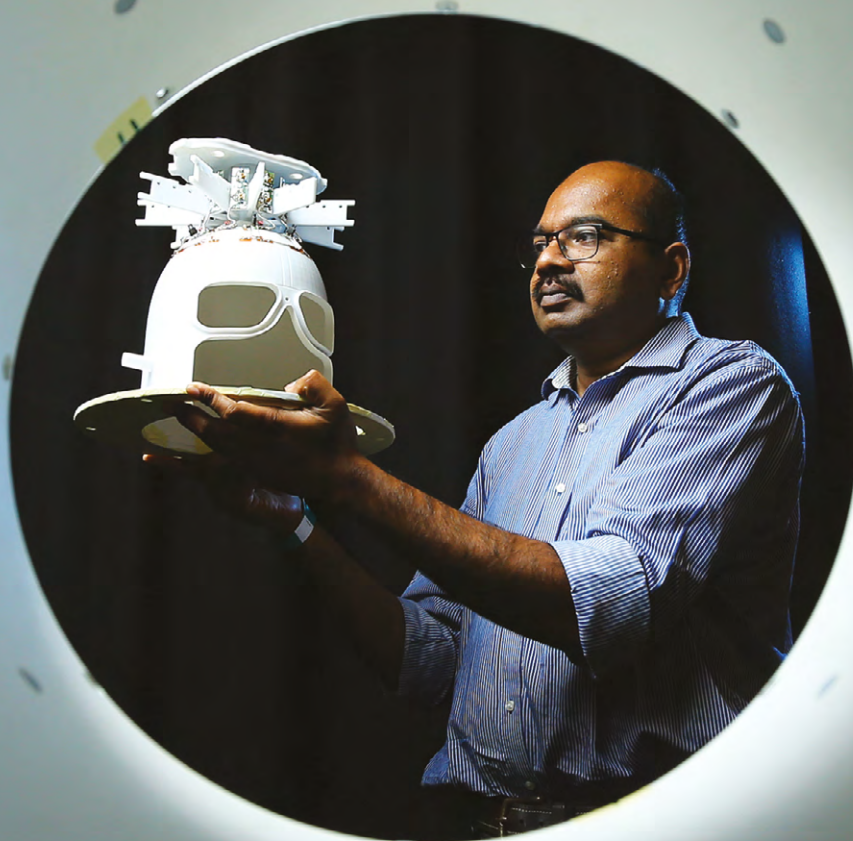


Image credit: Colin Mearns, Herald and Times Group



The following provides a summary of the financial position for the period 1 April 2017 to 31 March 2018.

The Finance Strategy Group, made up of the Member Authority Finance Directors, monitors financial progress and reviews financial risks. Our main financial risks, as reflected in the risk register, remained largely unchanged over the year. These include ensuring financial projections are realistic, delays in overall programme delivery leading to non-achievement of milestones and delays in the development and approval of business cases leading to pressure on programme delivery and milestone achievement. More immediate operational risks are reviewed in a programme of internal and external audit.

The City Deal Programme is funded over a twenty year period.

Expected Spend 2017/18 versus Business Case Approvals by Project/Member Authority

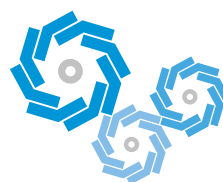
The table on page 37 show the Infrastructure project funding costs. The actual spend for 2017/18 was £46.879 million. Funding approved through the Business Cases approval process represents a total cumulative spend of £215.568 million. Actual spend for City Deal projects is summarised for each Member Authority.

Two columns summarise grant allocation. The first shows grant allocations for 2017/18 and the second provides the cumulative grant position over the first three years of the Programme. The total £30 million grant allocation was distributed to Member Authorities as per the grant allocation model. Cumulative spend to the end of 2017/18 over the first three financial years of the Programme is £103.151 million against £90 million cumulative grant.



£30 million

Total grant allocation was distributed to Member Authorities in 2017/18



£103.151 million

Cumulative spend to the end of 2017/18 over the first three financial years of the Programme

City Deal Infrastructure Financial Monitoring Actual Spend versus Business Case Approvals by Project as at 31 March 2018

Infrastructure Authority/Project	Revised Project Funding	Actual Spend 2017/18	CTD Spend	Funding allowed through Business Case Stage Approvals	Grant Allocations 2017/18	Cumulative Grant Allocation	Cumulative Actual Expenditure as Percentage of Grant Allocations
East Renfrewshire M77 Strategic Corridor	£44,000,000	£1,299,027	£3,083,582	£9,199,480			
Total	£44,000,000	£1,299,027	£3,083,582	£9,199,480	£744,000	£2,993,000	103%
Glasgow Canal and North (Sighthill)	£73,390,000	£19,461,135	£41,122,093	£65,644,000			
Glasgow Canal and North	£15,900,000	£850,075	£1,225,377				
Glasgow City Centre	£115,520,000	£2,206,221	£3,328,324	£24,171,000			
Glasgow Clyde and Waterfront	£113,900,000	£1,238,924	£2,057,516	£8,063,000			
Glasgow Collegelands	£27,000,000	£1,124,724	£1,646,467	£4,150,000			
Glasgow MGSDP	£40,200,000	£2,709,256	£3,246,991	£7,738,000			
Total Glasgow	£385,910,000	£27,590,335	£52,626,768	£109,766,000	£19,309,000	£45,251,000	116%
Inchgreen	£9,427,000						
Inverkip	£3,257,000		£8,000	£260,000			
Ocean Terminal	£14,137,000	£224,031	£256,031	£800,000			
Total Inverclyde	£26,814,000	£224,031	£264,031	£1,060,000	£43,000	£244,000	108%
North Lanarkshire A8/M8	£12,587,000	£45,881	£252,541	£4,484,000			
North Lanarkshire Gartcosh/Glenboig	£66,311,000	£2,554,128	£4,724,863	£7,317,204			
North Lanarkshire Pan Orbital Transport Corridor	£93,565,500	£319,141	£524,447	£5,936,000			
Total North Lanarkshire	£172,463,000	£2,919,150	£5,501,851	£17,737,204	£650,000	£4,692,000	117%
Renfrewshire CWRR	£90,636,000	£5,605,000	£8,708,434	£13,866,000			
Renfrewshire GAIA	£39,049,000	£4,430,000	£7,056,778	£9,360,000			
Total Renfrewshire	£129,685,000	£10,035,000	£15,765,212	£23,226,000	£5,629,300	£12,056,300	131%
South Lanarkshire Cathkin Relief Road	£19,028,457	£485,794	£14,024,815	£21,628,000			
South Lanarkshire Community Growth Areas	£62,300,000	£1,134,557	£5,688,575	£10,791,000			
South Lanarkshire Greenhills	£25,688,011	£1,955,670	£3,060,697	£2,358,000			
South Lanarkshire Stewartfield Way	£62,212,230	£28,610	£186,459	£1,205,500			
Total South Lanarkshire	£169,228,698	£3,604,631	£22,960,546	£35,982,500	£2,541,000	£21,825,000	105%
West Dunbartonshire EXXON	£27,897,000	£466,506	£1,005,819	£3,448,000	£378,000	£995,000	101%
Airport Link (Regional project)	£144,294,000	£740,000	£1,943,325	£15,149,000	£705,700	£1,943,700	100%
SPT (Regional project)	£30,000,000						
Total Infrastructure	£1,130,291,698	£46,878,680	£103,151,134	£215,568,184	£30,000,000	£90,000,000	115%

Infrastructure Project Funding and Expected Spend versus Grant Drawdowns

The table below shows the actual spend for 2017/18 of £46.879 million compared with the grant drawdowns received of £30 million in 2017/18.

City Deal Infrastructure Financial Monitoring Project Funding and Actual Spend versus Grants Drawdowns

Infrastructure Authority/Project	Revised Project Funding	Grant Allocation 2017/18	Actual Spend/ Final Claim 2017/18
East Renfrewshire M77 Strategic Corridor	£44,000,000	£744,000	£1,299,027
Glasgow Canal and North	£89,290,000		£20,311,210
Glasgow City Centre	£115,520,000		£2,206,221
Glasgow Clyde and Waterfront	£113,900,000		£1,238,924
Glasgow Collegelands	£27,000,000		£1,124,724
Glasgow MGSDP	£40,200,000		£2,709,256
Total Glasgow	£385,910,000	£19,309,000	£27,590,335
Inchgreen	£9,427,000		
Inverkip	£3,250,000		
Ocean Terminal	£14,137,000		£224,031
Total Inverclyde	£26,814,000	£43,000	£224,031
North Lanarkshire A8/M8	£12,587,000		£45,881
North Lanarkshire Gartcosh/Glenboig	£66,311,000		£2,554,128
North Lanarkshire Pan Orbital Transport Corridor	£93,565,000		£319,141
Total North Lanarkshire	£172,463,000	£650,000	£2,919,150
Renfrewshire CWRR	£90,636,000		£5,605,000
Renfrewshire GAIAR	£39,049,000		£4,430,000
Total Renfrewshire	£129,685,000	£5,629,300	£10,035,000
South Lanarkshire Cathkin Relief Road	£19,028,457		£485,794
South Lanarkshire Community Growth Areas	£62,300,000		£1,134,557
South Lanarkshire Greenhills	£25,688,011		£1,955,670
South Lanarkshire Stewartfield Way	£62,212,230		£28,610
Total South Lanarkshire	£169,228,698	£2,541,000	£3,604,631
West Dunbartonshire - EXXON	£27,897,000	£378,000	£466,506
Airport Link (Regional project)	£144,294,000	£705,700	£740,000
SPT (Regional project)	£30,000,000		
Total Infrastructure	£1,130,291,698	£30,000,000	£46,878,680

£46.879 million
actual spend 2017/18



£30 million
compared with the grant drawdowns
received 2017/18



Skills and Employment Financial Monitoring

There are three Skills and Employability projects. Youth Gateway is fully funded by the Member Authorities, with £31.8 million invested compared to the original £15 million. In Work Progression funding is £0.6 million, equally funded by the Department for Work and Pensions (DWP) and the Member Authorities. The total spend for In Work Progression at 31 March 2018 is £0.163 million.

City Deal Skills and Employment Financial Monitoring Project Funding and Actual Spend versus Grants Drawdowns

Working Matters - Member Authority	Total Project Funding	Actual Spend 2017/18	Cumulative Spend to 2017/18	Cumulative DWP Grant Claim to 2017/18
East Dunbartonshire	£215,169	£91,977	£158,303	£74,913
East Renfrewshire	£161,801	£67,721	£109,259	£51,352
Glasgow	£4,080,596	£1,360,356	£2,254,908	£1,057,202
Inverclyde	£459,141	£147,941	£366,527	£174,577
North Lanarkshire	£979,275	£321,458	£675,959	£445,847
Renfrewshire	£954,709	£355,745	£637,130	£351,581
South Lanarkshire	£1,113,968	£348,144	£797,470	£522,218
West Dunbartonshire	£506,580	£234,556	£370,257	£176,223
Lead - Management Costs	£528,761	£124,786	£307,913	£307,913
Totals	£9,000,000	£3,052,683	£5,677,725	£3,161,825

The table above gives the 2017/18 actual expenditure for the Working Matters project (which was equally funded by Member Authorities and the DWP) and cumulative spend. This has been the third year of a four year Programme. The actual spend of £1,437,678 in 2017/18 has been reported on the Statement of Grant Usage to the Department for Work and Pensions and results in a cumulative spend and grant claim of £3,161,826.

£31.8 million

Youth Gateway is fully funded by the Member Authorities



£0.6 million

In Work Progressions, equally funded by DWP and the Member Authorities



Innovation and Business Growth Financial Monitoring

Funding for the three Innovation and Business Growth projects completed in the period to 31 March 2017.



At Crossmill Business Park in East Renfrewshire, the development of new commercial units and preparation of an adjacent 17-acre former factory site for private sector investment - is supporting local business growth and employment. Community Benefits established through the procurement allowed contractor W.H. Malcolm to offer work experience placements to young apprentices, one of whom went on to secure a permanent job with the company.

PMO Financial Performance

The PMO is fully funded through contributions from the eight member authorities, with the PMO budget set and recharged to member authorities annually.

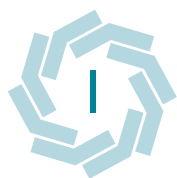
The cost of running the PMO is the main item of expenditure. Salary costs and any administrative expenses incurred are reimbursed in full from the participating authorities.

The PMO had a budget approved of £1,101,628 for the financial year 2017/18 with an additional £117,400 Hub and Portfolio Development

costs added during the year making a total of £1,219,028. The actual expenditure for the PMO office was £1,002,293. An under-spend of £216,735 was reported to Cabinet, mainly due to savings in employee costs and reductions in external consultants costs. The table below gives a detailed breakdown of the PMO budget.

Glasgow City Region: City Deal Programme Management Office Budget Projection 2017/18 as at 31 March 2018

	Revised Budget 2017/18	Actual Costs 2017/18	Budget Variance
Total PMO Salary Costs	£811,628	£713,843	-£97,785
Recurring Third Party Costs			
Internal Audit Fees 2016/17	£19,500	£19,800	£300
External Audit Fees 2015/16	£8,000	£7,990	-£10
Marketing	£15,000	£4,180	-£10,820
National Evaluation Panel (estimated)	£70,000	£15,522	-£54,478
Commission (estimated)	£20,000	£5,121	-£14,879
Economic Modelling/Analysis	£50,000	0	-£50,000
Non-Recurring Third Party Costs			
Transport Cumulative Assessment	£100,000	£53,805	-£46,195
Business Cases Review	0	£49,987	£49,987
Business Cases Training	0	£9,215	£9,215
Others			
Provisions	£2,500	£3,324	£824
Supplies	£5,000	£3,527	-£1,473
Total Projected Spend	£1,101,628	£886,314	-£215,314
Funding from Member Authorities 2017/18	£1,101,628	£886,314	-£215,314
Intelligence Hub and Portfolio Development (separately agreed)	£117,400	£115,979	-£1,421
	£1,219,028	£1,002,293	-£216,735



Monitoring and Evaluation

Gateway Review One

The approach to Gateway Review One in the National Evaluation Framework and Local Evaluation Framework was presented to Cabinet in October 2017. These documents were developed by the National Evaluation Panel in partnership with the Commission on Economic Growth, the PMO and Member Authorities and they provide a structure to the evaluation for Gateway Review One.

Work is ongoing to develop a Local Evaluation Plan (LEP) which will detail the evaluation tasks that will be carried out by the PMO and each of the Member Authorities prior to the first Gateway Review. The draft LEP will split the approach to evaluation into distinct elements:

- Impact Evaluation;
- Progress Evaluation;
- Capacity Development and Partnership; and,
- Contextual Economic Forecasting;

Three reports will be submitted to the Glasgow City Region Cabinet:

- Baseline Report - Summer 2018;

- One-Year Out Report - December 2018;
- Gateway Review Report - December 2019.

The PMO has started to collect quarterly monitoring data from the Infrastructure projects that will be subject to progress evaluation at the first gateway review in December 2019. This output data will be reported to the CEG and Cabinet. The developing LEP will be presented to Cabinet for approval in April 2018 and following that work will start on the tasks identified. In addition to the evaluation tasks identified as part of the LEP, each Member Authority be required to develop a detailed evaluation plan for each of their projects which covers the lifetime of the City Deal.

Project Output Quarterly Monitoring

The quarterly project monitoring report collated by the PMO provides a summary of the direct outputs from City Deal Infrastructure projects.

The indirect outcomes and the economic benefits of the projects will be identified and captured during the process of evaluation set out within the LEP and within individual project evaluation plans.

The first tranche of quarterly output reports was provided to the February 2018 CEG.

Thereafter, summary reports will be issued to CEG and Cabinet in line with the PMO reporting timetable. These will cover projects that have been proposed as subject to either progress or impact evaluation at Gateway One. The table on page 43 shows the report for the end of March 2018.

Risk

A Programme Risk Management Strategy is in place which covers the Programme and individual Member Authority projects, with risks regularly reviewed and updated in line with established reporting requirements and timescales.

Glasgow City Region City Deal Logic Model Project Output Quarterly Reporting

Reporting Period to 2017/18	Estimated Logic Model Project Outputs (where known)			Logic Model Projects Outputs Achieved
Glasgow City Region City Deal Project Outputs	Unit of Measurement	Total Overall Project Output	Outputs to be achieved by Gateway 1	Cumulative Outputs Delivered to 2017/18
Blue Green Infrastructure (LS)	square metres	65020	11996.5	6900
Businesses (New) created (LT)	number	19	3	0
Business Tenants (Number of)	number	38	13	6
Carriageway with reduced flood risk (LS)	kilometres	32.3	2.5	1.6
Commercial space developed (LT)	square metres	4774	854	854
Construction years of employment (LT)	number	4110	146	336
Cycle Routes Created (LS)	kilometres	45.815	16.52	8.1
Educational Floorspace (LS)	square metres	3660	3660	3660
Junctions (New) (LT)	number	23	11	1
Junctions Improved (LT)	number	80	13	4
Land assembled for commercial development (LT)	hectares	72.01	10.71	6.2
Land assembled for residential development (LT)	hectares	423.6	39.6	35.19
Land with reduced flood risk (LT)	hectares	2577.9	63.9	42.09
Pedestrian routes created (LS)	kilometres	44.635	14.26	6.58
Pedestrian/ cycle bridges (New) (LS)	number	6	1	0
Properties with reduced flood risk (LS)	number	7218	190	40
Public realm created (LS)	square metres	290180	78900	22100
Public realm enhanced (LS)	square metres	166026	76120	69000
Rail stations (new) (LS)	number	1	0	0
Road bridges (New) (LT)	number	3	0	0
Road developed (New) (LT)	kilometres	18.95	7.4	1.6
Road enhanced (LT)	kilometres	20.31	2.56	0.5
Site reclaimed, (re)developed or assembled (Area of) (LS)	hectares	141.13	52.93	52.93
Station upgrades (LS)	number	1	0	0
Vacant and Derelict Land brought back into use	hectares	47.57	16.43	0.93
Visitor centres (New) (LS)	number	1	0	0



Outlook

The next year is an extremely exciting one for Glasgow City Region. Our recent progress has been positive with our GVA growing faster than most comparator city regions and we continue to have one of the most highly skilled and productive city regions in the UK.

Our three innovation districts will further develop, and we will continue to promote the city region as a place in which to invest, work and live.

Looking to the year ahead and beyond, our principal areas of focus will include preparation for the Gateway Review in December 2019, an important milestone in our City Deal and of certain interest to others.

Progress will continue on our infrastructure projects, changing the physical landscape, bringing improved transport and connectivity and freeing up more sites in key locations for private sector residential, commercial and industrial developments. We are already seeing private sector investment leveraged through the City Deal and recent high profile inward investments such as Barclays and Channel 4 show real confidence in the city region. We will continue to work with the investment community to maximise the opportunities City Deal gives us.

We are hugely excited about the opportunities that the new Regional Partnership offers to deliver genuine inclusive growth across the whole region. Working with the national agencies, governments and the private, academic and third sectors, we have a unique opportunity to drive forward an economy fit for the future and we will explore every opportunity to maximise benefits for all of our citizens.

Our success to date has been significant, but we can do even better. And we will.



Kevin Rush

Director of Regional Economic Growth

Glasgow City Region: Economy at a glance



£43.2 million

Total GVA - up 3.2%
36% of the Scottish economy



£48,796

GVA per job filled
- up 1.9%



£31

GVA per hours worked –
2nd highest across UK Core
Cities



318.7

Total enterprises
per 10,000
population (16+)
– up 8.7%



**2nd
highest**

proportion of
population
educated to a degree level
amongst competing UK City
Regions



**1.8
million**

Population