

Background to the City Deal

The Glasgow City Region City Deal, is a formal agreement, with funding provided by the UK and Scottish Governments for a £1.13 billion infrastructure investment programme together with innovation and skills and employment interventions - delivered over a period of twenty years, on the understanding that partners will work together to achieve significant economic growth and development.

City Deals were introduced as agreements between the UK Government and cities to give local areas across the UK specific powers in relation to their own areas to support economic growth, create jobs and invest in local projects. In a time of global and national economic uncertainty and modest growth, the scale of investment represents a meaningful stimulus for engendering significant, positive long term economic change and inclusive growth. All City and Growth Deals are unique, with projects selected specific to local needs. Although all projects are determined by robust assessment and selection processes, and subject to formal evaluation.

The City Deal agreement was formally signed in August 2014 by the eight Glasgow City Region Member Authorities with the UK and Scottish Governments. This agreement sets out partner commitments in relation to funding, governance and reporting and explains how the City Deal will support the local area to achieve its shared long term vision for the local economy.

The original bid for the City Deal and Programme assembly process was developed by the Member Authorities and other organisations and partners, recognising regional advantages and challenges. The City Deal seeks to maximise the economic benefits for the Glasgow City Region and Scotland through the delivery of a programme of high impact investments. In order to ensure this occurs, at the outset Member Authorities engaged in an exercise to identify projects which not only maximise the economic outputs at a project level, but which also deliver positive economic benefits for the Glasgow City Region and Scotland collectively as a programme. A brief history of the process is highlighted below:

- During 2013, a Programme Assembly exercise was carried out that involved modelling the economic impacts of a list of approximately 80 potential Infrastructure projects, and prioritising them in order of GVA return.
- At the beginning of 2014, twenty high level projects were selected.
- These formed the basis of the City Deal infrastructure submission.
- Recognising the challenges in relation to labour market and innovation, a further 6 projects were introduced.

From the initial list a programme Business Case was created and individual project business cases were developed to ensure the outcomes from the initial modelling exercise remained valid and relevant.

The City Deal Member Authorities are ambitious in their plans for growth in the context of a challenging economic climate, public sector financial constraints, other evolving city deals and more established city regions across the UK. The Glasgow City Region City Deal provides an example of what can be achieved when all levels of Government, businesses, universities and other agencies work together to promote economic growth.