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[redacted]

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From: [redacted]  
Sent: 19 July 2014 18:09  
To: [redacted]  
Subject: FW: Glasgow and Clyde Valley City Deal: Readout and Actions from 16 July Meetings  
Attachments: City Deal - Budgetary concerns

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From: [redacted]  
Sent: 17 July 2014 15:59  
To: [redacted]; [redacted]; [redacted]; [redacted]; [redacted]; [redacted]; [redacted]; [redacted];  
Cc: [redacted];  
Subject: RE: Glasgow and Clyde Valley City Deal: Readout and Actions from 16 July Meetings

[redacted]

Here is what I sent through to Glasgow earlier today on the budgeting concerns.

In terms of what we covered at the meeting I thought we also discussed that we might consider some kind of graduated/proportional approach to continued funding at trigger points (against whatever range of outputs/outcomes we decide to measure against). Did we agree to collectively consider this?

[redacted]

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From: [redacted]  
Sent: 17 July 2014 15:28  
To: [redacted]; [redacted]; [redacted]; [redacted]; [redacted]; [redacted]; [redacted]; [redacted]; [redacted];  
Cc: [redacted];  
Subject: Glasgow and Clyde Valley City Deal: Readout and Actions from 16 July Meetings

Dear All

Many thanks for yesterday's session on the infrastructure and labour market proposals. As promised I have pulled together our agreed actions and next steps on both areas of the City Deal.

#### INFRASTRUCTURE

- GCV are currently developing the detail behind their Infrastructure Investment Programme – confirming: timeframes e.g. start/end dates for each scheme; project milestones; profile of spend etc. This will be shared with SG/UKG  
ACTION: GCV will share the latest iteration of the Infrastructure Programme paper and associated profile of spend for each project with SG and UKG with by Friday 18 July  
ACTION: GCV will share a more detailed infrastructure paper setting out detailed project outputs and timetables by the end of w/c 25 August.
- GCV re-confirmed that they are seeking to front load investment over a 10-year time horizon, which may require LA borrowing to be undertaken and/or flexibilities in cashflow management across local authorities. GCV will also seek to undertake £130m of LA borrowing to make a £1.13bn fund.

- SG and UKG raised potential issues around borrowing and/or cashflow management ideas being discussed by GCV and how this would be treated in accounting terms. Any approach would need approval from HMT' and would SG would need reassurance that this approach would not have unexpected/negative outcomes on the wider SG budget.  
ACTION: SG to provide a note to Glasgow and UKG setting out their concerns on borrowing/cashflow approaches that may be proposed by GCV by Friday 18 July.  
ACTION: UKG and SG to review the Infrastructure Programme Paper and borrowing/cashflow approaches.  
ACTION: UKG (Cabinet Office) to set up a teleconference with SG, CO and HMT to discuss implications of GCV proposals – will seek to do this early next week in advance of the meeting on Wednesday
- We discussed the issue of “risk” and who bears the risk of completing the infrastructure projects if GCV do not unlock further tranches of capital funding. UKG stated that the risk would be borne by GCV. This was endorsed by GCV and was not seen as a large problem as they were originally planning to borrow over £850m of funding to support the infrastructure programme.
- The issues of Governance and a robust assurance framework was discussed. Both UKG and SG will want to ensure the City Deal sets out rigorous processes/frameworks that will underpin the infrastructure fund and decision making. Key issues that need to be set out include:
  - o How the Governance model will enable collective decision making on projects that will be taken forward – what powers are being pooled?
  - o How the proposed Governance model and PMO function will ensure delivery of projects – what powers will the PMO hold to compel actions/mitigate risks?
  - o What assurance framework will underpin final approval of projects. Whilst Glasgow have used the SITLUM model to prioritise schemes – what business case/assurance framework will be used to make final assessment of projects. In other City Deals we have insisted on Green Book compliant Business Cases. What assurance framework will Glasgow adopt?
 ACTION: UKG to provide further thoughts/feedback on the Governance model  
 ACTION: GCV to clarify what assurance framework they will adopt across GCV – building on the approach used for the Commonwealth Games  
 ACTION: UKG to provide a short paper setting up City Deal implementation programme governance between SG-UKG-Glasgow before Wednesday next week.
- SG and UKG had queries around how the infrastructure prioritisation model worked. Glasgow agreed to arrange a briefing on this for next Wednesday  
ACTION: GCV to arrange a briefing on Wednesday 23 July on the modelling KPMG undertook.
- Glasgow agreed to provide a first draft of their thinking on the Economic Commission by next week. The aim would be to include a high-level terms of reference for this Commission as part of the City Deal document. SG/Glasgow want the commission to report its findings before 2017.  
ACTION: GCV to provide a paper on the Economic Commission next week  
ACTION: UKG to provide Glasgow with contacts at Leeds and Sheffield to discuss their work on Economic Commissions
- With regard to the meeting next week I believe we agreed an outline agenda – but happy to tweak/amend as we see fit o Infrastructure Fund modelling (briefing by KPMG)

Remaining session to include only Glasgow-SG-UKG

- o Infrastructure programmes and profile of spend – will build on discussions with HMT on borrowing/cashflow
- o Governance and assurance framework o Economic Commission
- o Trigger Mechanisms

Labour market schemes are being developed by GCV and the following actions were agreed:

- ACTION: Glasgow will reconfirm that political support for the three labour market schemes and communicate this to relevant strategic leads for labour market implementation prior to Wednesday
- ACTION: GCV will reiterate that the youth and ESA work is pan Glasgow and Clyde Valley, including funding commitment for £4.5m from local partners
- ACTION: GCV will confirm where their £4.5m match funding will come from
- ACTION: Given the complexity of making this model work the Government would like the Glasgow and Clyde Valley Partnership to give due consideration to a co-ordination function for the labour market components of the deal on behalf of Glasgow and Clyde Valley Partnership. This should be jointly funded from across the partnership.

Happy to discuss

[redacted]

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From: [redacted]  
Sent: 11 July 2014 16:08  
To: [redacted]; [redacted]; [redacted];  
Subject: City Deal  
Attachments: Strategic Development Planning Authority 2012 Industrial Land Survey.xlsx; 2013 10 24 CVIF Economic modelling note v04.docx; 2013 11 26 CVIF Project info requirements.pdf; 2014 03 10 Cabinet Office submission.docx; 20130827 Clyde Valley zone selection tool FINAL2.xls; SITLUM11 EMPLOYMENT ACTIVITY DEFINITIONS.docx

Dear All  
Various attachments coming in batches. I'm still waiting for a couple of things so Monday if not tonight for them Regards  
[redacted]

[redacted]

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Cabinet Office: wording for submission

**Glasgow City Region Infrastructure Fund**

**a) Excel spreadsheets setting out:**

**Your 20 infrastructure projects (or latest iteration)**

We are currently working with our partners and stakeholders to identify the optimal mix of projects to go into the Glasgow City Region Infrastructure Fund ("the Fund"). We have undertaken a strict prioritisation process based on GVA per pound of whole-life-cost to the Fund, and based on this analysis an indicative ranking of projects has been identified.

Two potential programmes are listed below:

- 1) A programme that would be financed by prudential borrowing only; and
- 2) A programme that utilises additional fiscal stimulus funding.

It is important however to note that additional modelling is currently underway to test the results as a package – and at different package sizes – as well as to ensure the right mix of projects is included in order to reach the programme minima.

*List of projects to be delivered under a prudential borrowing scenario with a programme value of £1,009m (see explanation below)*

Project Code	Sponsoring Authority	Project name
IN01	Inverclyde Council	Inchgreen
IN05	Inverclyde Council	Inverkip
IN02	Inverclyde Council	Ocean Terminal
ER01	East Renfrewshire Council	M77 Strategic Corridor
WD02	West Dunbartonshire Council	Exxon site
G14	Glasgow City Council	Collegelands Calton Barras Action Plan
G17	Glasgow City Council	Camlachie Burn upgrade
G05	Glasgow City Council	City Centre Public Realm
G09+G21	Glasgow City Council	Govan and Clyde Waterfront Regeneration
G16	Glasgow City Council	Parkhead and Gallowgate Hub
NL04	North Lanarkshire Council	A8/M8 Corridor Access Improvements
NL03	North Lanarkshire Council	Gartcosh Community Growth Area
NL05	North Lanarkshire Council	Pan-Lanarkshire Orbital Transport Corridor
R09	Renfrewshire Council	Clyde Waterfront and Renfrew Riverside
R04	Renfrewshire Council	Paisley Town Centre North and Airport Surface Access
R06	Renfrewshire Council	Glasgow Airport Economic



Clyde Valley  
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### BCR for each scheme

The programme is not being supported by central UK government funding and therefore BCRs are not included.

### Supporting business cases for your initial projects

The rationale for all projects are predicated on delivering GVA per £ of whole life cost to the Fund. Local authorities have rigorous processes in place for business case development, in particular to ensure that we meet our statutory duty to deliver Best Value.

**Second sheet setting out profile of repayment for borrowing and PbR mechanism – including information on what proportion of the annual payment will be for interest and which will be used to create the second fund.**

The repayment profile for the prudential borrow is summarised on the “Annual Summary” tab of the PDF below. The interest payments are on row 22 (“Interest”) and the repayment of principle on row 21 (“Principle”).

The PbR mechanism is contained in the “PbR” tab. The incremental GVA of the £1bn package above the Counterfactual used is currently estimated at £1.5bn (2011 prices). The GVA has been prorated to the capex spend and further profiled such that the full GVA earning capability of a project is achieved 10 years after completion.

The mechanism assumes no payments before 2020 and Inferred Pence in the Pound (PiP) of 6%.



Clyde Valley  
fodel\_v1 01\_6% wi

### Split of the tax take – what proportion of the 35p goes to HMT, Glasgow and Scottish Govt

Row 54 “Implied additionality for HMT 'breakeven'” is the percentage of the tax take that has been assumed will flow to Glasgow assuming a 6% PiP. Currently it is assumed that the remainder will flow to HMT. Given that the impact of the changes to income tax on the Scottish block will not be known until 2020, we have not modelled this impact.

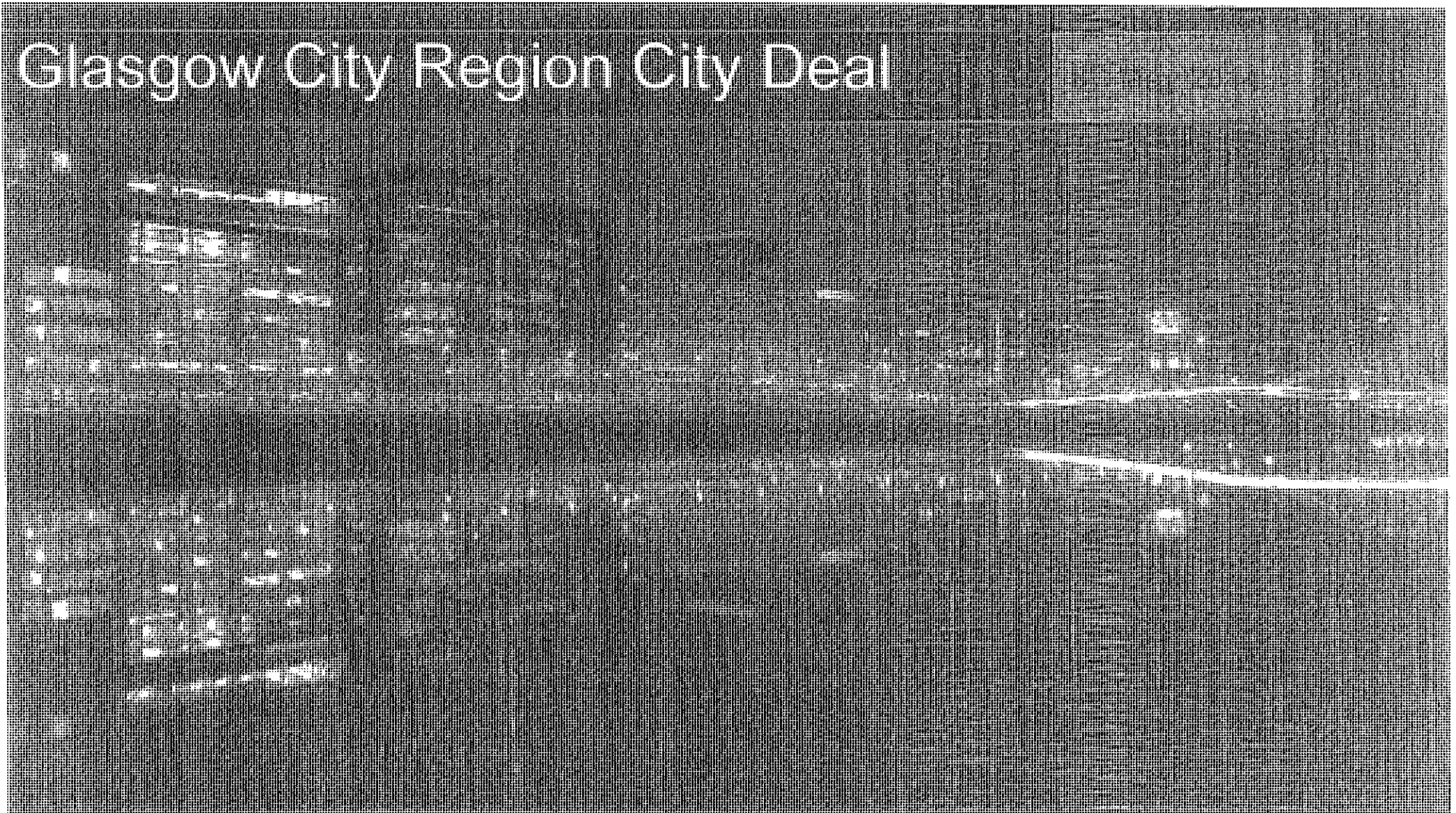
**For context, it’s worth remembering that Manchester’s Earn Back has annual payments of £30m per annum for 30 years – less than half of what you are seeking to secure.**

We note that Manchester’s £30m is an initial cap and is subject to revision pending future reviews.

### b) More information on the Fund:



# Glasgow City Region City Deal



Inverclyde  
Council

East  
Renfrewshire  
Council



sustainable thriving achieving  
East Dunbartonshire Council  
[www.eastdunbarton.gov.uk](http://www.eastdunbarton.gov.uk)



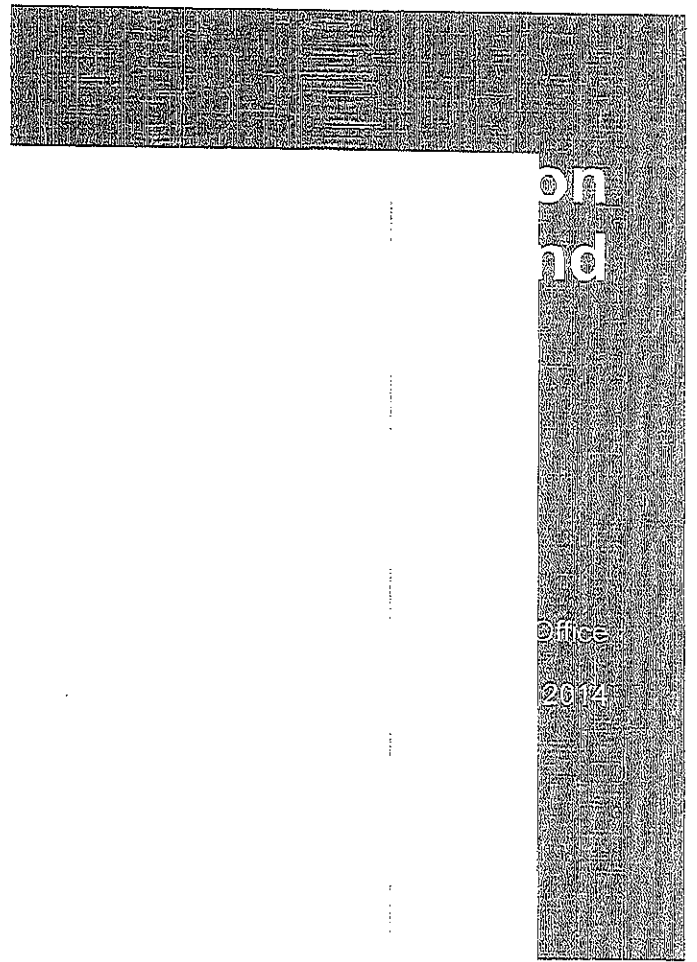
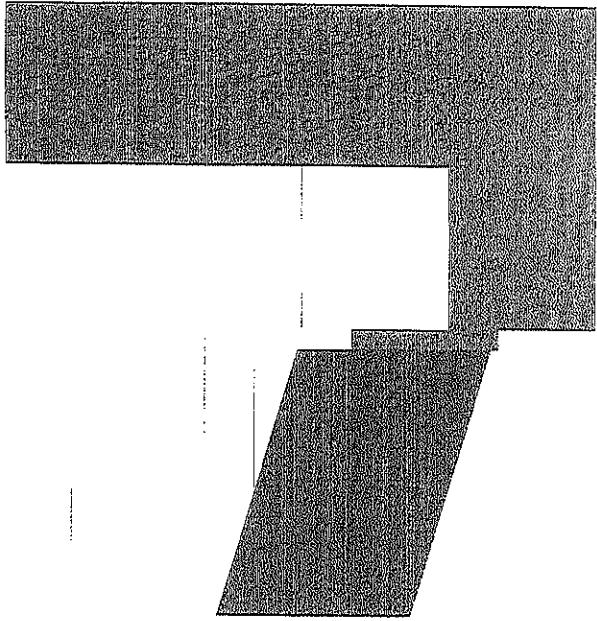
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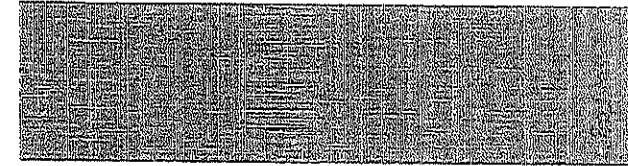


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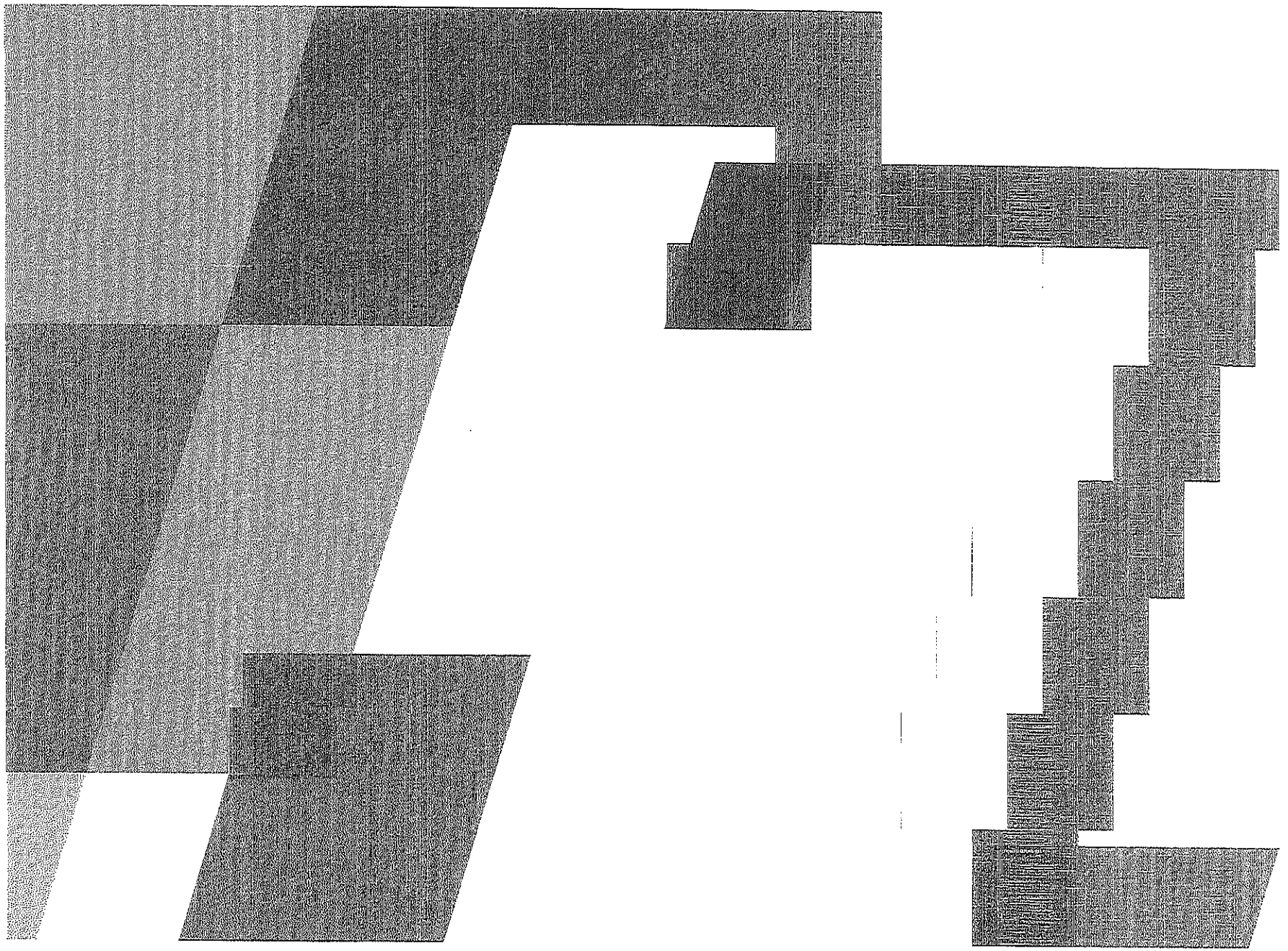


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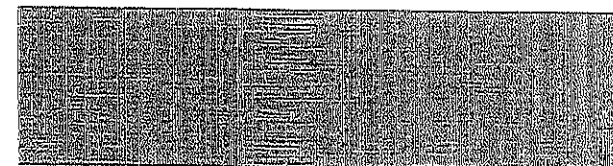
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Summary of indicative outputs to date	4
Reference case development	6
Results for £1.35bn package	9
Impact of projects and summary descriptions	11

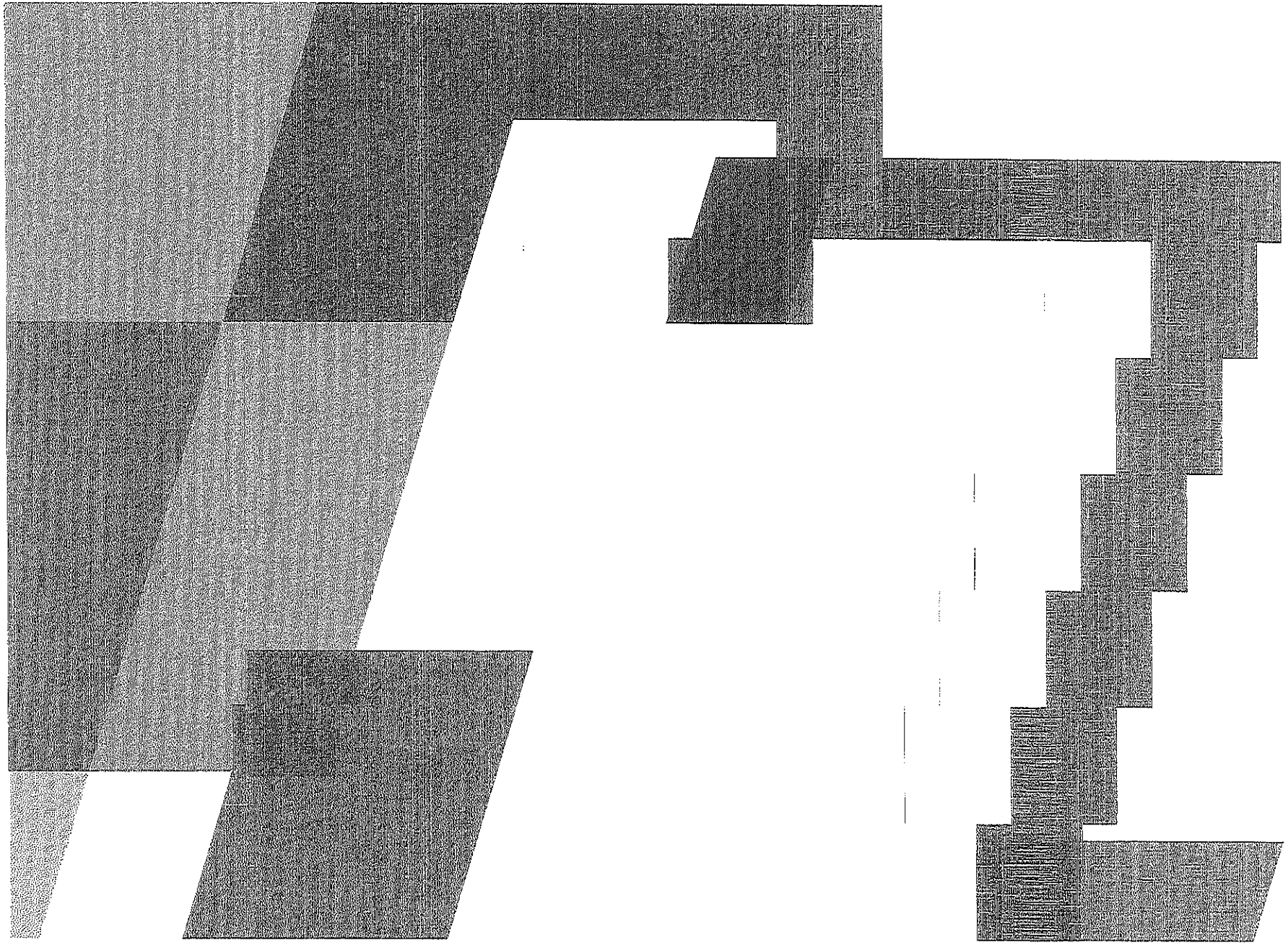


# Programme composition



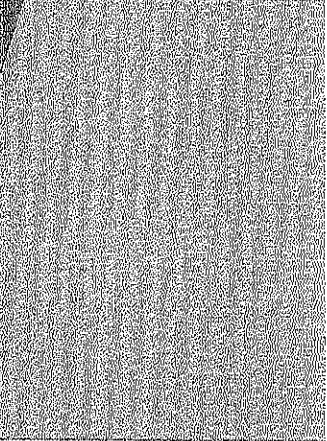
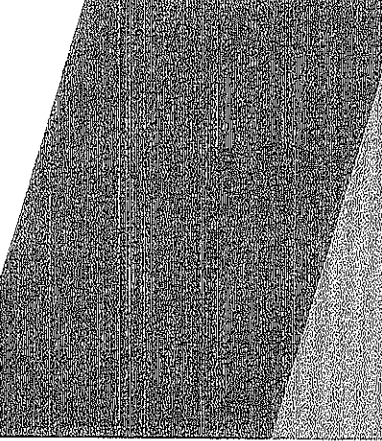
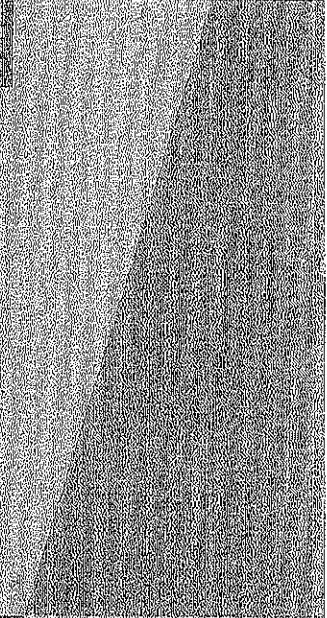
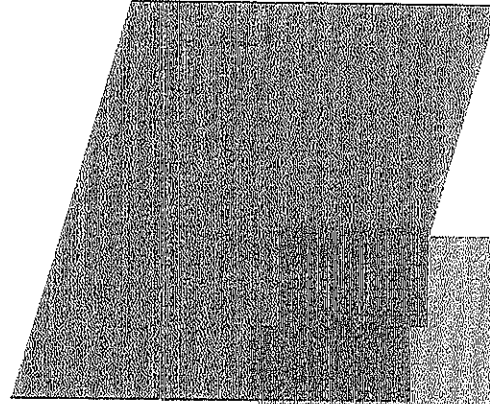
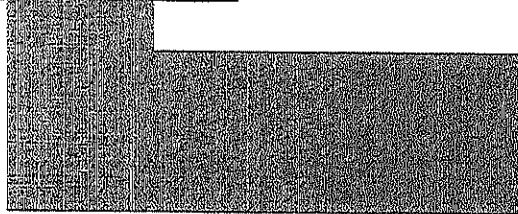
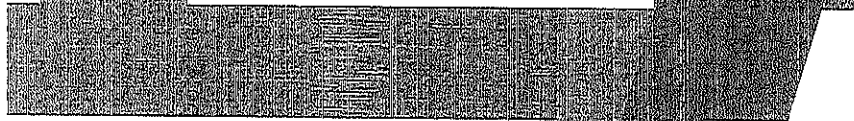
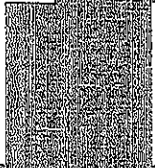
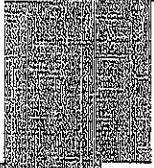
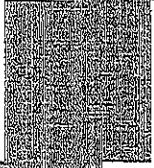
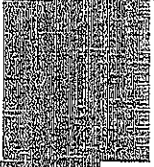
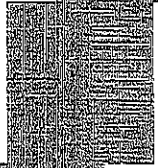
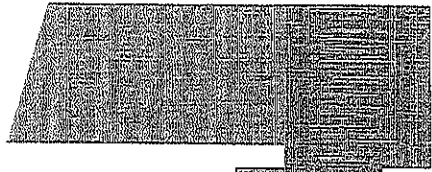
Prioritised project list			
	Ref	Name	Net nominal capex (£m unless stated)
1	IN01	Inchgreen	9.4
2	NL04	A8/M8 Corridor Access Improvements	9.0
3	G14	Collegelands Calton Barras Action Plan	7.6
4	R09	Clyde Waterfront & Renfrew Riverside	78.3
5	SL08	Stewartfield Way	62.2
6	G17	Camlachie Burn Upgrade	27.2
7	SL02	Greenhills Road/A726 Dual Carriageway	23.1
8	G05 + G16	City Centre Public Realm	226.5
9	R06	Glasgow Airport Economic Investment Areas	51.4
10	ER01	M77 Strategic Corridor	99.5
11	G09 + G21	Govan and Clyde Waterfront Regeneration	124.4
12	IN05	Inverkip	3.8
13	NL03	Gartcosh Community Growth Area	43.8
14	IN02	Ocean Terminal	14.2
15	SL05	Community Growth Areas (CGAs)	62.3
16	NL05	Pan Lanarkshire Orbital Transport Corridor	119.7
17	SL04	Cathkin Bypass	21.6
18	WD02	Exxon Site	27.9
			<b>£1.0bn</b>
19	R04	Paisley Town Centre North and Airport Surface Access	(de-scoped, then removed)
20	R01	M8 Upgrade between Junctions 26 - 29	removed
21	R03	Glasgow Airport Rail Link	144.3
22	SPT02	Straithclyde Bus Investment Programme (reduced scope)	48.0
			<b>£1.2bn</b>

*Note: Renfrewshire has reviewed its affordability position and has advised that it will remove R01 and R04. These projects, as originally scoped, constitute the difference between the £1.35bn package total referred to and the total of £1.2bn in the table opposite.*



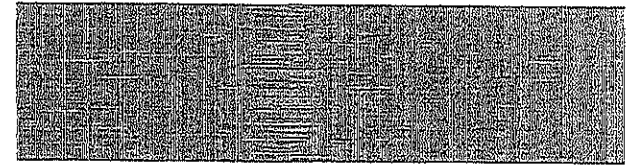
## Key points

- A package of £1.35bn is expected to deliver around £1.75bn of net additional GVA p.a. and 21,000 new jobs to the 7 local authorities that make up the Glasgow City Region Infrastructure Fund – this is equivalent to a sustainable uplift of 4% in annual production
- Of the net GVA increase, analysis is ongoing but circa 30% is expected to be driven by productivity increases.
- All areas see improved employment opportunities (as measured by job accessibility)
- In two areas (Inverclyde and East Renfrewshire) this improvement is entirely as a result of employment growth in other areas, with the latter experiencing improvement in accessibility in spite of lower employment within the area itself



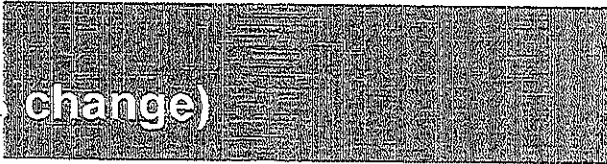


## Reference Case Development



- The economic model used has been based on a pre-existing land use and transport (LUTI) model called the Strathclyde Integrated Transport Land Use Model (SITLUM) which forecasts changes in employment and population by comparing two scenarios:
  - The reference case or ‘do-minimum’ scenario; and
  - The ‘do-something’ scenario which includes Infrastructure Fund investments.
- The main output of the model is to compare the forecast difference in employment between these two scenarios. The model predicts employment results for the years to 2035 by forecasting changes from a base year of 2011. Clearly, establishing a realistic reference case is essential, since it is the incremental change against which all projects are measured against
- In this context, it is important to understand the difference between the projections in the reference case and other employment and population forecasts that have been commissioned in separate studies – such as the Oxford Economics Forecasts
- Essentially, standard economic forecasts are usually based on combination of past trends, sectoral distributions and macroeconomic projections at the national level – including how individual industrial sectors are expected to perform at the national level. However, these are not usually concerned with planning policy or development constraints, and importantly, do not account for the interaction between developments (both transport and land use) across geographic boundaries
- Within a LUTI modelling framework, standard employment and population projections are used as an input into the model (at a national level), but the disaggregation at small geographies is carried out by taking account of planned developments and planning constraints at the local level. Other factors are also accounted for, such as relative accessibility and the attractiveness of specific areas to businesses and households
- The key point to bear in mind is that a LUTI modelling framework is specifically designed for project/programme appraisal (specifically transport and land use schemes), while other models (such as that used by Oxford Economics) cannot be used to carry out a similar appraisal

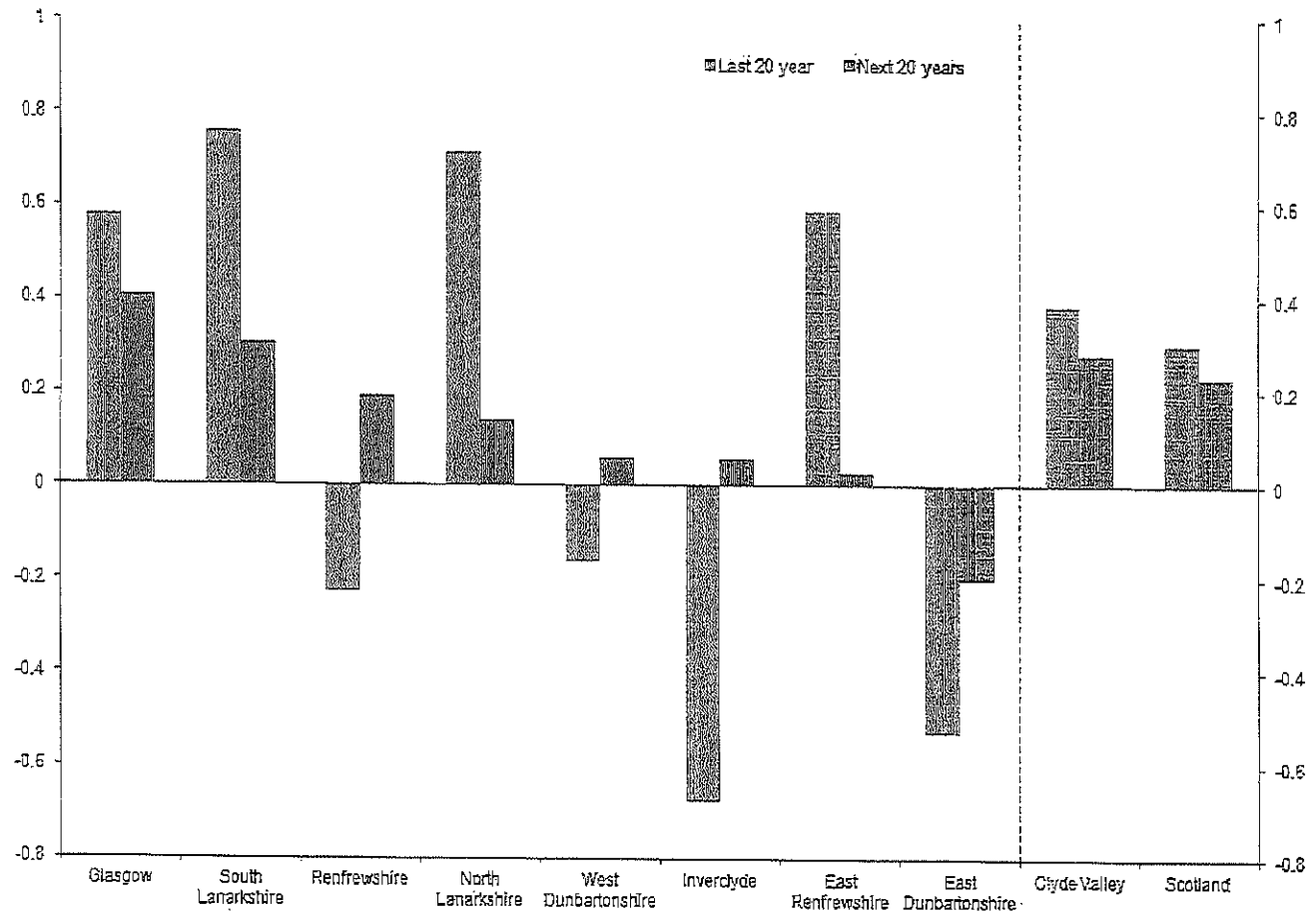
# Reference Case Development



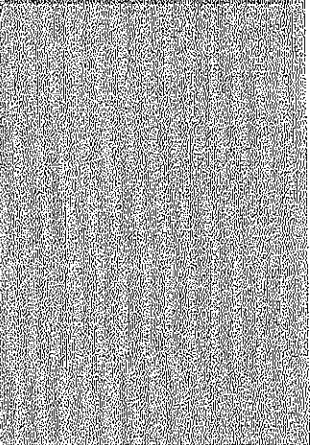
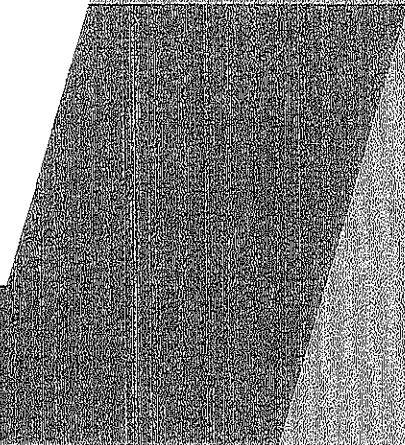
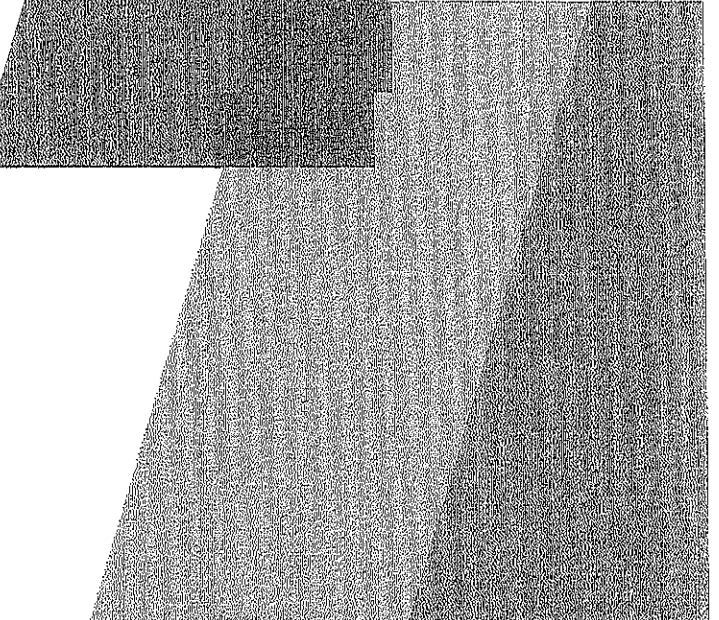
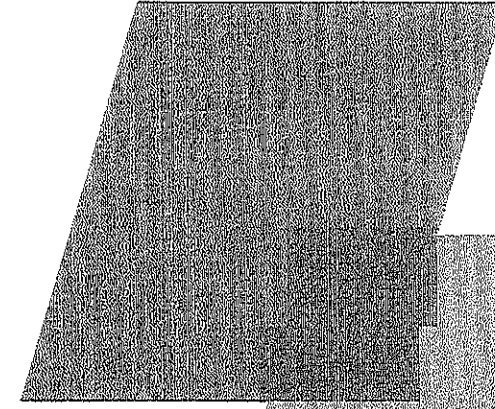
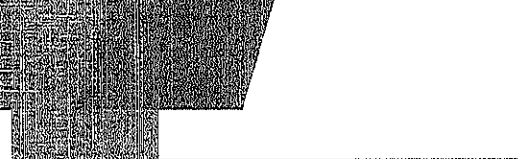
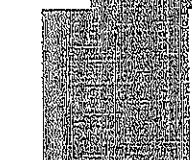
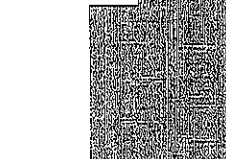
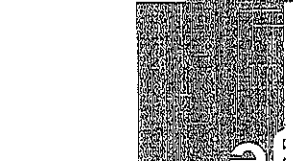
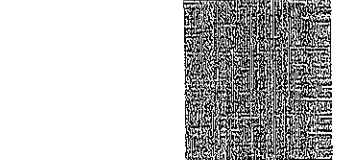
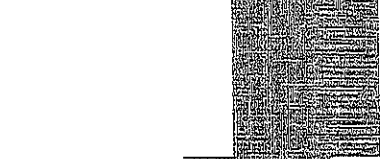
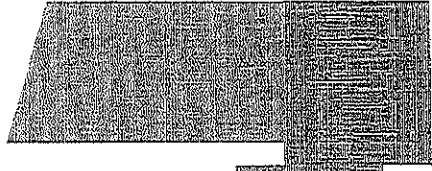
The chart shows historic and forecast employment prior to any investments by the Infrastructure Fund or other developments, based on the Oxford Economic forecasts

The forecast growth rates in employment are used as an input into the SITLUM model for the Glasgow City Region

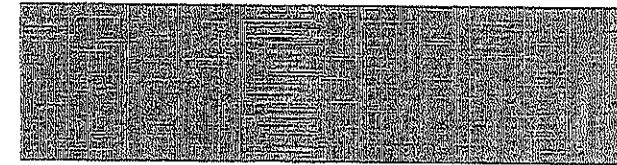
Note that when absolute changes in levels are compared, there is a difference in these levels between SITLUM and these forecasts – SITLUM uses a Census definition of employment, while these forecasts use the BRES definition



Source(s): ONS, Oxford Economics, KPMG Calculations



## Economic, Employment and Population Outputs



Employment within the Glasgow City Region is forecast to increase by 17,460 jobs between 2011 and 2015 regardless of the Infrastructure Fund.

The package is expected to increase jobs in the region over and above this by an additional 20,975 jobs.

### Access to Jobs

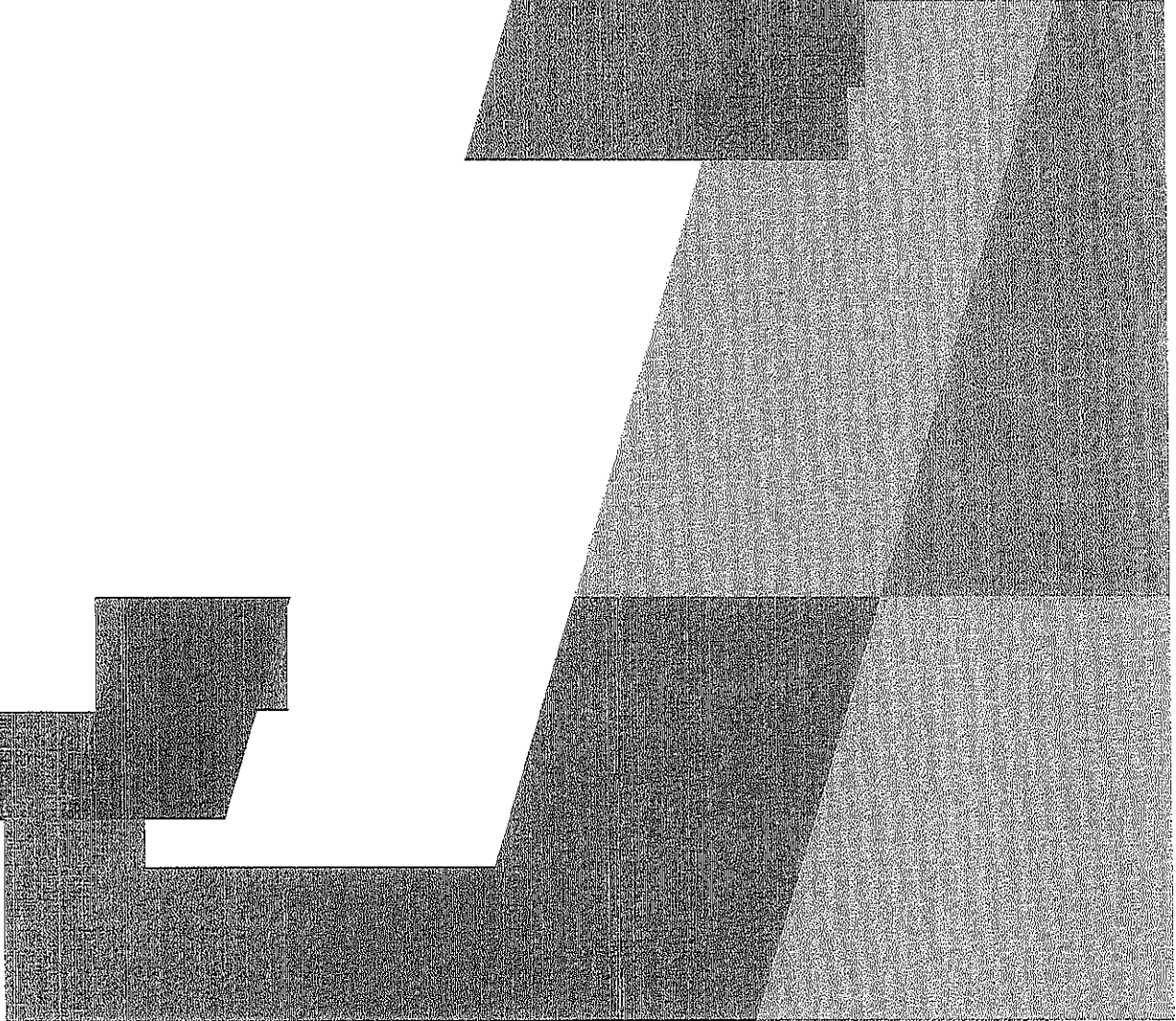
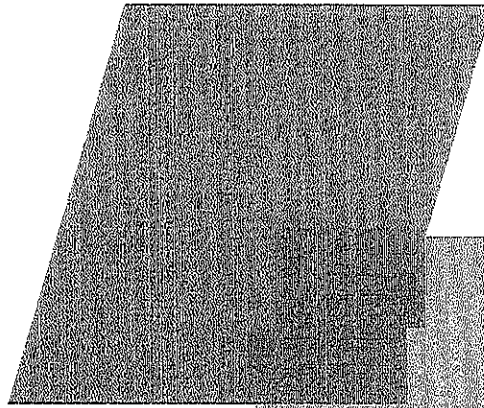
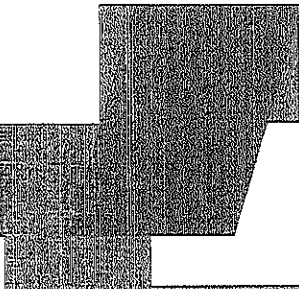
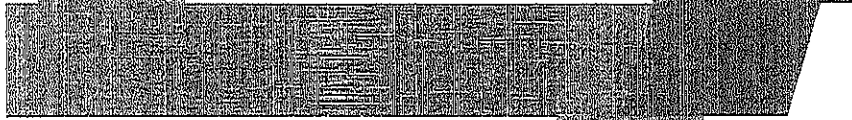
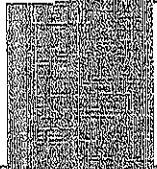
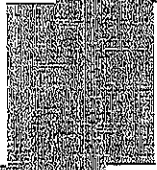
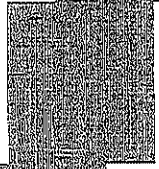
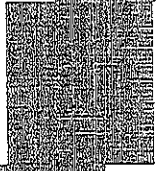
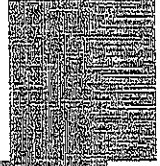
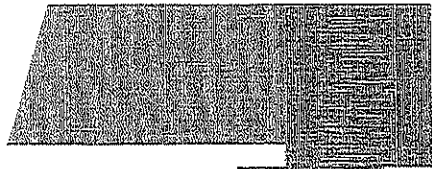
We have examined which local authority residents will have improved access to employment as agreed for the programme minima. The table below sets this out.

The key points to note here is these results refer to the additional jobs that residents within a local authority have access to as a result of the programme. This does not necessarily refer to only the new jobs that are created by the projects within a package, but also existing jobs that these residents may have not had access to.

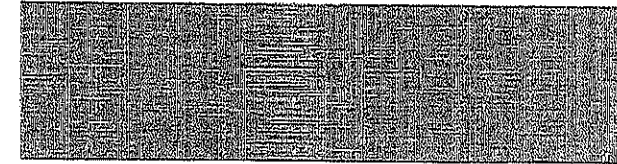
The key driver of the access to jobs is the change in the generalised cost of transport (including financial, time, congestion, etc) due to the transport investments in the package.

Job accessibility results for £1.35bn package	
	Number of accessible jobs (over and above the Reference Case)
City of Glasgow	26,653
East Renfrewshire	39,690
Inverclyde	15,395
North Lanarkshire	27,377
Renfrewshire	60,290
South Lanarkshire	41,397
West Dunbartonshire	66,315
<del>East Dunbartonshire</del>	<del>37,165</del>
<b>Average for Fund geography*</b>	<b>32,628</b>

\*Excludes East Dunbartonshire

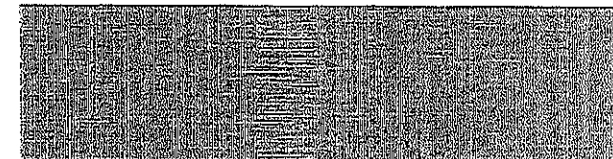


## Impact of projects and summary descriptions



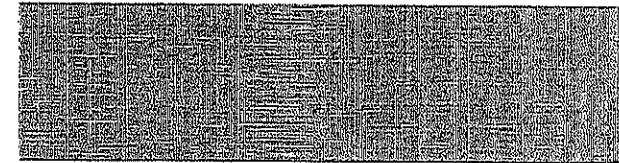
Prioritised projects			
Name	Summary	Benefits	
IN01	Inchgreen	<ul style="list-style-type: none"> <li>▣ Inchgreen port is identified within Scotland's national planning frameworks (NPF3 and N-RIP) as a facility capable of delivering growth of offshore renewables.</li> <li>▣ The Masterplan will redevelop the area for a mixed use port, manufacturing, and marine leisure development. The works relate to land remediation, access works, and pier upgrading.</li> </ul>	<ul style="list-style-type: none"> <li>▣ Development of Inchgreen will create a strategic hub for renewables and specialist marine devices (e.g. R&amp;D, testing, manufacturing) for the West of Scotland.</li> <li>▣ This would also spur regeneration in the Clyde Waterfront area.</li> </ul>
NL04	A8/M8 Corridor Access Improvements	<ul style="list-style-type: none"> <li>▣ This project would: construct a new road link from the A775; extended park and ride facilities; new walking and cycling routes; a Freight Park; and supporting infrastructure for bus services.</li> </ul>	<ul style="list-style-type: none"> <li>▣ Businesses in the area have identified lack of access to key sites as a barrier to employment; this project would improve access to key strategic employment sites along the A8/M8 corridor.</li> <li>▣ This includes sustainable access for areas of high deprivation.</li> </ul>
G14	Collegelands Calton Barras Action Plan	<ul style="list-style-type: none"> <li>▣ The area benefits from its proximity to the City Centre and location on key east-west arterial routes.</li> <li>▣ However investment is required to complete the Collegelands Masterplan, station upgrades to High Street and Glasgow Green, and public realm improvements to the Calton neighbourhood.</li> </ul>	<ul style="list-style-type: none"> <li>▣ The Calton area and Collegelands form a key regeneration area which links the City Centre to the East End and Clyde Gateway.</li> <li>▣ Investment will provide new office space, parking facilities, student accommodation for nearby Strathclyde University, and public transport links.</li> </ul>
R09	Clyde Waterfront & Renfrew Riverside	<ul style="list-style-type: none"> <li>▣ Package of interventions centred around the construction of a Northern Development Road, which links to a river crossing between Renfrew and Yoker.</li> <li>▣ This would also include enhancement of the strategic green network links between Braehead, Renfrew and Paisley,</li> </ul>	<ul style="list-style-type: none"> <li>▣ The development of transport infrastructure would improve connectivity and unlock development potential, and take advantage of the economic opportunities afforded by the proximity of Glasgow Airport.</li> <li>▣ This would play a key role in increasing economic opportunities and regeneration, while significantly enhancing the existing transport networks.</li> </ul>

## Impact of projects and summary descriptions



Prioritised projects			
Name	Summary	Benefits	
SL08	Stewartfield Way	<ul style="list-style-type: none"> <li>The project involves upgrading the entire length of Stewartfield Way to full dual carriageway from the junction with the A726, Glasgow Southern Orbital, to a new junction with the A725 trunk road, east of Whirlies Roundabout.</li> </ul>	<ul style="list-style-type: none"> <li>The project will have a positive effect on the economy of East Kilbride in making the town a more attractive employment location.</li> <li>The scheme will also provide a strategic corridor between Ayrshire, Lanarkshire and Lothian to facilitate personal and freight connections to the Irish ferry ports and Prestwick Airport.</li> </ul>
G17	Calmachie Burn Upgrade	<ul style="list-style-type: none"> <li>Realignment of watercourse channel to increase flow capacity and achieve self cleaning velocities for a 430m stretch at Shettleston Road/Rigby Street.</li> </ul>	
SL02	Greenhills Road/A726 Dual Carriageway	<ul style="list-style-type: none"> <li>Widening the A726 to dual carriageway standard from Calderglen Country Park to the Torrance Roundabout and Greenhills Road from the Torrance Roundabout to Aulhouse Road.</li> </ul>	<ul style="list-style-type: none"> <li>The project forms part of the Local Transport Strategy with the objective of improving the economy. It will also complement existing Council led interventions in improving walking, cycling and public transport infrastructure.</li> </ul>
G05 + G16	City Centre Public Realm	<ul style="list-style-type: none"> <li>Substantial public realm improvements are required throughout the city centre.</li> <li>This will also include implementation of traffic management, bus priority and local cycle infrastructure.</li> </ul>	<ul style="list-style-type: none"> <li>The project builds on significant improvements in the lead up to the Commonwealth Games and will deliver public realm improvements and improved access to employment via the final phase of the East End Regeneration Route.</li> </ul>
R06	Glasgow Airport Economic Investment Areas	<ul style="list-style-type: none"> <li>This project seeks to open up and improve access for economic development locations adjacent to the airport via road infrastructure and brown field site development.</li> </ul>	<ul style="list-style-type: none"> <li>The project and resulting development will deliver a significant area of serviced industrial and business development plots, with the supporting roads and related infrastructure, and will help the regeneration of the wider area which has high concentrations of deprivation.</li> </ul>

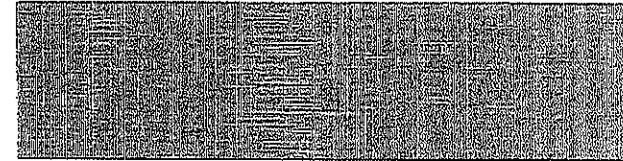
## Impact of projects and summary descriptions



Prioritised projects			
Name	Summary	Benefits	
ER01	M77 Strategic Corridor	<ul style="list-style-type: none"> <li>This a joint strategic project between Glasgow City &amp; East Renfrewshire Council to develop the M77 Corridor including: junction improvements; a green bus lane; and new park and ride facilities.</li> </ul>	<ul style="list-style-type: none"> <li>Transport improvements would enable the strategic development opportunities at Silverburn, Darnley, Cowglen, Greenlaw, Dams to Darnley Country Park and Maidenhill.</li> </ul>
G09 + G21	Govan and Clyde Waterfront Regeneration	<ul style="list-style-type: none"> <li>Clyde Waterfront is identified as a national priority, with opportunities to build on the creative quarter at Pacific Quay, the SECC and Conference Centre, Riverside Museum, and Hydro Arena.</li> <li>Further development will improve active travel and public transport links, as well as site regeneration and river quay improvements.</li> </ul>	<ul style="list-style-type: none"> <li>Area regeneration will tackle issues of substantial deprivation and dislocation endemic to the area.</li> <li>The project will also contribute towards the introduction of smart technology infrastructure being taken forward with the University and its Future City demonstrator partners</li> </ul>
IN05	Inverkip	<ul style="list-style-type: none"> <li>Area regeneration associated with the re-development of the a large brownfield site (former Inverkip Power Station) for a mix of economic and employment uses and residential development including leisure. This includes land remediation and development of waterfront access.</li> </ul>	<ul style="list-style-type: none"> <li>Housing-led regeneration and tackling underutilised vacant and derelict land / brownfield land as part of the area's overall economic development strategy.</li> </ul>
NL03	Gartcosh Community Growth Area	<ul style="list-style-type: none"> <li>Development of roads infrastructure to improving transport links to the Community Growth area .</li> </ul>	<ul style="list-style-type: none"> <li>Transport infrastructure will support the regeneration of Gartcosh Business Park and the Freightliner Depot at Gartsherrie.</li> </ul>
IN02	Ocean Terminal	<ul style="list-style-type: none"> <li>Greenock Ocean Terminal has become an important cruise port and a major player in Scottish tourism as a gateway for overseas visitors but demand is exceeding capacity.</li> <li>Works would allow the quay to be extended and develop derelict land as part of the Ocean Terminal Facility.</li> </ul>	<ul style="list-style-type: none"> <li>Creating additional quay capacity is central to unlocking the potential for cruise tourism and ensuring both the Greenock Ocean Terminal and cruise activity can continue to grow and capture economic value for Scotland and the Region.</li> </ul>

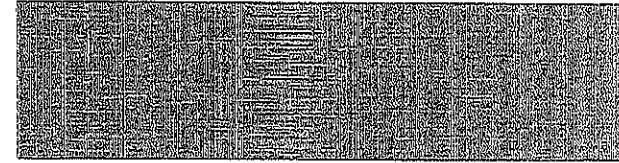


## Impact of projects and summary descriptions

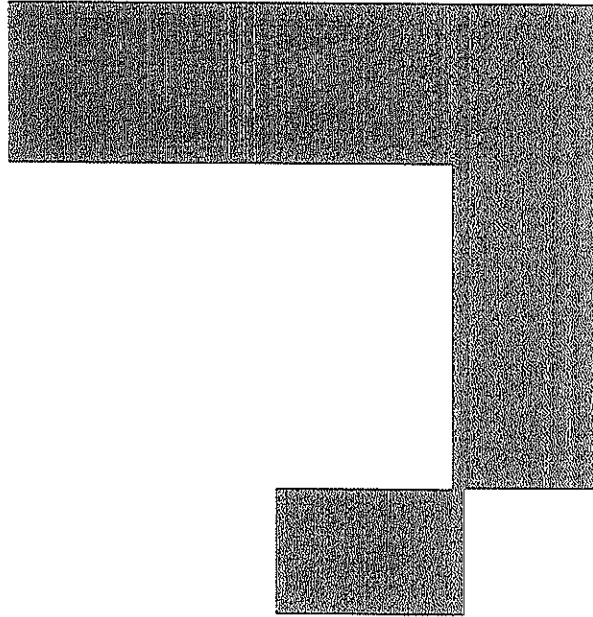


Prioritised projects			
Name		Summary	Benefits
SL05	Community Growth Areas (CGAs)	<ul style="list-style-type: none"> <li>This project relates to the promotion of three Community Growth Areas (CGA) located at Newton, East Kilbride and Hamilton. They represent strategic housing land release identified through the Glasgow and Clyde Valley Strategic Development Plan.</li> </ul>	<ul style="list-style-type: none"> <li>The potential output from the three sites is: Newton 1,500, Hamilton 2000 and East Kilbride 2,500 – collectively 6000 units.</li> </ul>
NL05	Pan Lanarkshire Orbital Transport Corridor	<ul style="list-style-type: none"> <li>Joint Project between North &amp; South Lanarkshire Roads Authority, providing Road Capacity and Bus Improvements that will link the residential and commercial prospects arising from the M80, Cumbernauld, Airdrie, Newhouse, Eurocentral, Holytown, New Stevenston, Ravenscraig, Motherwell, M74, Hamilton, East Kilbride and the M77 in East Renfrewshire.</li> </ul>	<ul style="list-style-type: none"> <li>The SPT West of Scotland Conurbation Public Transport Study already identified a need for strategic improvements along this corridor – this project will deliver transport connectivity improvements across Lanarkshire and the Clyde Valley region</li> </ul>
SL04	Cathkin Bypass	<ul style="list-style-type: none"> <li>Provision of a new relief road and quality bus measures through Cathkin with associated pedestrian and cycling improvements</li> </ul>	<ul style="list-style-type: none"> <li>This project and the wider Pan Lanarkshire Orbital Transport Corridor (PLOTTC) proposals contribute to the Regional Transport Strategy's priorities of "Improving cross city and cross-region links on strategic corridors".</li> <li>The project is anticipated to have a positive economic impact in terms of access to services and employment through the provision of a strategic route through the area.</li> </ul>

## Impact of projects and summary descriptions



Prioritised projects		
Name	Summary	Benefits
WD02 Exxon Site	<ul style="list-style-type: none"> <li>▣ This project relates to an 81 acre site between the main Glasgow to Dumbarton railway line which was formerly occupied by the Esso Petroleum Company. The site provides a unique development opportunity for employment creating mixed-uses along the waterfront.</li> <li>▣ Significant investment is required to deliver the new road access and junction improvements (estimated at about £10M) and for decontamination works, substantial site raising works, and the provision of services and utilities.</li> </ul>	<ul style="list-style-type: none"> <li>▣ Redevelopment of this major site has the potential to bring significant investment to the area, which currently experiences high levels of deprivation.</li> </ul>
R03 Glasgow Airport Rail Link	<ul style="list-style-type: none"> <li>▣ This project covers the emergent projects arising from the STAG appraisal process investigating improved off road surface access from Paisley Town Centre/Gilmour Street Station and Glasgow Airport.</li> </ul>	<ul style="list-style-type: none"> <li>▣ Delivery of a direct rail link to Glasgow Airport would potentially benefit all of Scotland through improved public transport accessibility to the Airport.</li> </ul>
SPT02 Strathclyde Bus Investment Programme	<ul style="list-style-type: none"> <li>▣ A package of bus corridors including fast link corridors, smart ticketing, and designated bus lanes.</li> </ul>	<ul style="list-style-type: none"> <li>▣ The bus initiatives will provide connectivity improvements to key areas of the wider conurbation by providing fast, frequent, high capacity, reliable, high quality services to provide level of service provided by rail on other corridors.</li> <li>▣ It will improve accessibility for all purposes and to all 'opportunities' and provide connectivity and improved integration of modes.</li> </ul>



The information contained herein is of a general nature and is not intended to address the circumstances of any particular individual or entity. Although we endeavour to provide accurate and timely information, there can be no guarantee that such information is accurate as of the date it is received or that it will continue to be accurate in the future. No one should act on such information without appropriate professional advice after a thorough examination of the particular situation.

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**Glasgow and Clyde Valley  
City Deal**

**(Heads of Terms Agreement)**

## Introduction

1. Across the country the UK Government wants to see powerful, innovative cities that are able to shape their economic destinies, boost entire regions and maximise economic growth. But to unlock their full potential, the UK Government believes cities need a major shift in the powers and levers available to local leaders and businesses to drive growth. To achieve this the UK Government launched its City Deals programme in 2012. To date 25 City Deals have been agreed with cities in England.
2. Building on the success of City Deals in England the UK Government, in the Chancellor's 2013 Autumn Statement, set out its commitment to deliver an ambitious City Deal for Glasgow. This commitment also reflected the shared understanding, at all levels of Government, that Glasgow and the Clyde Valley is a major engine of growth for Scotland and the UK. Currently the city and surrounding area generates 32% of Scotland's Gross Value Added (GVA). In addition 35% of Scottish Jobs and over 30% of all businesses in Scotland are based in this area.
3. As a result of ongoing discussions between local leaders across Glasgow and the Clyde Valley and the UK Government a City Deal (Heads of Terms Agreement) has been finalised. This agreement sets out the commitment of the UK Government and local leaders to make an exciting once-in-a-generation investment in the city of Glasgow and its people.
4. Moving forward we now hope to work with the Scottish Government to determine what role they might play in the City Deal, enabling the deal to be finalised by August 2014.

## City Deal Package

### Glasgow Infrastructure Fund

5. The flagship City Deal proposal seeks to **establish a £1.13 billion Glasgow Infrastructure Fund**, which will be used to: improve the transport network across Glasgow and the Clyde Valley; unlock key development and regeneration sites; and improve public transport. These investments will increase economic growth across Glasgow and the Clyde Valley and create new jobs.
6. Through negotiations to date the Glasgow and Clyde Valley City Deal (Heads of Terms Agreement) confirms that:
  - The **UK Government will contribute £500 million of new capital funding over 20 years**, from 2015/16 – 2034/35, to the Glasgow Infrastructure Fund.
  - The **funding from the UK Government will be provided in line with a pre-determined funding profile**. This will provide local leaders in Glasgow and the Clyde Valley with certainty as to how much funding the UK Government will put into the Glasgow Infrastructure Fund on an annual basis, allowing them to plan their infrastructure project pipeline accordingly.
  - **Funding from the UK Government will be released in 5-year instalments**, with the release of future funding after the initial five years (2015/16 – 2019/20), dependent on a series of “Gateway Reviews”. These reviews will assess the impact of the funding that has been spent to date, against an agreed set of performance measures.
  - **This funding will be supported by a further £130 million of capital funding from local authorities across Glasgow and the Clyde Valley from 2015/16 – 2034/35.**
7. Building on this commitment both the UK Government and local leaders from Glasgow and the Clyde Valley will **invite the Scottish Government to match the UK Government’s £500 million commitment over the same period (2015/16 – 2034/35).**

### Glasgow Infrastructure Fund – Key Projects and Schemes

8. Local leaders across Glasgow and Clyde Valley have worked together to agree a series of infrastructure schemes that could be taken forward over the next twenty years as a result of the Glasgow Infrastructure Fund. Glasgow and the Clyde Valley believe these schemes will create over 28,000 new jobs and generate around £1.75 billion of additional economic activity per annum for the city.
9. A total of twenty schemes have been prioritised by Glasgow to take forward. Examples of these schemes include:

- **Clyde Waterfront and West End Innovation Quarter:** Investment in site remediation and transport improvements to the M8 to unlock 800 hectares of new employment sites on the Clyde Waterfront and the West End innovation quarter. This investment will bring this strategically important site back into productive use, for the first time since the closure of the docks in the 1970s, and will support growth in the following sectors: life sciences, media and creative industries.
- **Glasgow Canal and Northern Gateway:** This scheme will provide a new bridge and transport improvements that will improve access to this site. This will enable significant new housing (private, social and student) and supporting facilities such as a new Urban Sports Centre to be built.
- **Transport to Glasgow Airport:** Investment in transport routes from Glasgow City Centre and Glasgow airport, as set out in the Surface Access Strategy. This will include some form of rail link to the airport; the specific type of rail link is subject to further design and assessment.

## Tackling unemployment across Glasgow and the Clyde Valley

10. In addition to investing in infrastructure and growth sectors the Glasgow and Clyde Valley City Deal will also build on local work to reduce unemployment across the city. Through negotiations to date the Glasgow and Clyde Valley City Deal (Heads of Terms Agreement) has agreed three schemes.

### Reducing unemployment for those on Employment Support Allowance (ESA)

11. Across Glasgow and the Clyde Valley area over 10,000 people are unemployed and claiming Employment Support Allowance (ESA). The UK Government and local leaders are committed to helping the hardest to reach claimants into work. Therefore, aligned to national initiatives such as the Work Programme and Help to Work, Glasgow and the Clyde Valley will **launch a new employment scheme for individuals in receipt of Employment Support Allowance.**

12. This scheme will provide intensive support to individuals receiving ESA that are seeking employment – both ESA Work Programme levers and individuals on ESA that have not been mandated onto the Work Programme. Through the support of a case worker, tailored support will be developed for each individual on the scheme. Glasgow and Clyde Valley believe that over the next three years (2015/16 – 2017/18) this programme will work with 4,000 individuals over three years and help at least 600 very long term ESA claimants people into sustained work

13. To take this scheme forward the UK Government will provide £4.5 million of revenue funding over three years (2015/16 – 2017/18). This will be matched with £4.5 million of revenue funding from local partners.

## **Boosting earnings of those on low incomes**

14. As part of this City Deal Glasgow and the Clyde Valley and the UK Government have agreed to **design and implement a pilot in-work progression programme** that will work with employers from three sectors (care, hospitality and retail). The aim of this pilot scheme will be to support the training and development of staff – thereby boosting their wages and reducing their reliance on in-work benefits.
15. In order to take this scheme forward the UK Government will provide £300,000 of funding in 2014/15 to test this new approach to raising people's income.

## **Reducing youth unemployment**

16. Ensuring young people are able to access good jobs across Glasgow and the Clyde Valley is a key priority for the UK Government and local leaders. Building on existing local and national programmes this scheme will provide a **new integrated employment support services for young people (16 – 24)** prior to entry onto the Work Programme. Local partners believe that over the next three years (2015/16 – 2017/18) this programme will work with 15,000 young people over the next three years, helping 5,000 into sustained work.
17. As part of this City Deal (Heads of Terms Agreement) the UK Government will commit to working with local partners to support the delivery of this scheme, through joint working arrangements. Building on this local partners **will provide £15 million of funding to support this scheme.**

## **Supporting growth in the life sciences sector and enabling small and medium sized enterprise to succeed.**

18. Complementing the infrastructure and employment schemes the UK Government and local leaders from Glasgow and the Clyde Valley will also agree an investment package that will: support growth in the city's life science sector; and enable small and medium enterprises across the city to grow. Further details of this investment package will be made available in the next few weeks.

## **Next Steps**

19. Moving forward local leaders from Glasgow and the Clyde Valley and the UK Government will seek to work with the Scottish Government to finalise the detail of this City Deal by **August 2014**. This finalised City Deal will set out:
  - The outcomes and outputs that the City Deal will deliver in more detail.
  - Further details on the infrastructure projects that will be taken forward over the next five years (2015/16 – 2019/20) and over the next twenty years to 2035.



- Detailed implementation plans for each programme listed above, along with timescales for delivery.
- A robust set of Governance arrangements, building on examples other cities have adopted e.g. forms of combined governance, which will ensure robust delivery of this City Deal and promote effective economic decision making.

**DEVELOPMENT BRIEF**

**Summary**

<b>Type</b>	Contribution to Technical Feasibility Study	<b>Version No.</b>	1
<b>Proposed By</b>	[redacted];	<b>Date Proposed</b>	12 .01.13
<b>Department/Team</b>	Business Infrastructure		
<b>Title</b>	Greenock Ocean Terminal Technical Feasibility Study		

**Description & Strategic Rationale**

Clydeport PLC is seeking assistance from Scottish Enterprise and Riverside Inverclyde towards a feasibility study that will explore the potential to extend the existing quayside at Greenock Ocean Terminal to create separate berthing and landward arrival facilities for ocean going cruise ships and their passengers. Scottish Enterprise is being asked for a contribution of £9,000 which Riverside Inverclyde will match leaving Clydeport to fund the balance of the £36,000 feasibility work. The Scottish Enterprise and Riverside Inverclyde contributions equate to 50% of the overall funding for the feasibility study.

Greenock Ocean Terminal is owned by Clydeport PLC. Clydeport is Scotland's major west coast intercontinental and Atlantic-facing port operator whose core business is the management of the River Clyde and the provision of port facilities and services. Clydeport handles in total approx 7.5 million tonnes of cargo each year. Increasingly Clydeport has been trying to co-ordinate its principal activity of container handling at Greenock Ocean Terminal with meeting the growing demand from cruise liners. . Operating the cruise liner activity alongside the day to day functioning of the dock as a modern container handling facility is proving difficult in terms of accommodating the number of cruise liners that are expressing an interest in docking at Greenock but also in managing the visitor experience of those passengers disembarking at the terminal.

The potential growth of the cruise liner market is supported by statistics provided by Clydeport which show a steady growth in cruise ship visits and passenger numbers at Greenock over the past 10 years. Passenger numbers have grown from 19,450 pax in 2002 to 66,949 pax in 2012. The number of cruise ships rose from 16 to 40 over the same period (including turnaround cruises where Greenock is the home port). Future growth will be hampered by a lack of physical capacity to accommodate any increase in ship numbers without negatively impacting on the operation of the container port operation. Clydeport has indicated that it has had to turn down cruise activity for 2014 given these constraints.

Clydeport's provisional estimate for the capital cost of extending the cruise ship operation is £6-£8m comprising the construction of a dedicated quay and new passenger terminal facility. The financial viability of this project and any requirement for public sector funding support will be established as part of the proposed study.

Greenock Ocean Terminal is one of the key ports that Scottish Enterprise Tourism team feels have the potential to take advantage of this growth in the cruise liner market but to maximise this potential it will require investment in its infrastructure. Cruise tourism is identified as a key theme with opportunity for growth within the Strategy for Leadership and Growth for Tourism Scotland 2020. Statistics gathered by Clydeport and Visit Scotland suggest that Scotland is an increasingly popular cruise destination and is performing strongly at the premier end of the cruise market. Visit Scotland research (TCC Heritage and Roger Tym and Partners) Scottish Cruise Study 2006 concludes that "there is reason to be optimistic that Scotland will continue to flourish as a cruise destination". This study estimated that in 2005, cruise tourism was worth £30.44m to the Scottish Economy, based upon 322,250 passengers. This activity supported 812 FTE jobs and produced £25m of GVA output. The report identified that the potential growth could range from £52 mn to £72 mn by

2015 but that optimising this potential would depend upon competitive and co-ordinated marketing, improving port facilities and enhancing passenger experiences at each port of call.

Strategic Fit			
Business Plan Area ( <i>Primary Fit</i> )	Developing growth sectors		
Sector Supported ( <i>Primary Fit</i> )	Tourism	Impact	Medium
Any other relevant Strategic Fit			

Key Project Development Milestones/Outputs/Deliverables ( <i>including Project Reviews</i> )	
Description	Est. Date
Contract with Clydeport plc on the outputs SE will seek from its contribution	Feb 13
Liaison with Riverside Inverclyde and Clydeport on appointments of design team and scope of works	Feb 13
Completion of Feasibility Work	May 13
Case for investment – Stage 1 Review	Aug 13

Planned Duration							
Development Phase				Delivery Phase			
From	Jan 13	To	Apr 13	From	Apr 13	To	Apr 14

**Where appropriate state any time pressures on this proposal**

Greenock Ocean Terminal has had to refuse some potential cruise liners this coming year 2014. Clydeport PLC having built up some momentum in attracting interest from cruise liners would like to address the constraints as quickly as possible.

**Estimated Costs**

Organisation	Dev. Funding	Delivery	Total
Scottish Enterprise	9,000	tbc	tbc
Riverside Inverclyde	9,000	tbc	tbc
Clydeport PLC	18000	tbc	tbc
<b>Total</b>	<b>£36,000</b>	<b>£6-8m</b>	<b>£6-8m</b>

**What will Development Funding will be used for?**

The feasibility will fully consider the option to extend the deep water quayside several hundred metres upstream beyond the container loading/unloading facility to an area which is isolated from and has no association with the container and commercial merchant shipping movements.

Clydeport has briefed the design team with the outline requirements of an extended quayside facility at the terminal, which would be required to accommodate 345 metre long cruise liners. Arch Henderson, Marine Engineers, will look at the costs and feasibility of the various piling solutions, dredging required and essential quay wall repairs. Fairhurst Engineers will examine the access roads, car parking, drainage etc. ADF Architects will work alongside the engineers to investigate the feasibility of providing a new terminal/arrivals building at the quayside of a standard which will match the cruise liner passenger expectations.

Clydeport will appoint and manage the design team that will undertake the feasibility work. An outline scope of works has been prepared on the basis of the information currently available.

**Section of E&NT (Scotland) Act 1990 (for Development Funding)**

People Resources Required (during Development)				
Role	Name (if identified)	Days	Frequency	Duration
SRO	[redacted];	1	week	12 months
Project Manager	[redacted];	1	week	12 months

**Additional supporting comments on the People Resource requirements (if appropriate)**

**Dependencies/Interfaces**

**State any relevant relationships with other activity in the organisation and/or partners**

Whilst this is a technical infrastructure feasibility, if the project is to proceed Business Infrastructure will require to work closely with the appropriate people in the sector delivery team to establish fit with the overall tourism activity and potential growth of the cruise liner operations in relation to other Scottish ports and in setting targets for Clydeport to achieve relative to any investment SE will make in the project.

To send Development Brief for approval to Project Lifecycle mailbox "[double click here](#)"  
 (Note: this action will ask you to "Save As" first, after which the brief will be attached to an email)

[redacted]

---

From: [redacted]  
Sent: 31 May 2013 10:40  
To: [redacted]  
Subject: Greenock Ocean Terminal, Greenock: seb2001.01  
Attachments: Development Brief - Greenock Ocean Terminal 2.doc

Hi [redacted],

Here is some paperwork for Ocean Terminal at Greenock. [redacted] may contact you directly to set up a meeting for next week so thought if you had this in advance it would probably help. Regards,

[redacted]

---

From: [redacted]  
Sent: 14 May 2013 12:33  
To: [redacted]  
Subject: RE: Greenock Ocean Terminal, Greenock: seb2001.01

No. Here's a copy

=====  
[redacted]

---

From: [redacted]  
Sent: 14 May 2013 11:27  
To: [redacted]  
Subject: RE: Greenock Ocean Terminal, Greenock: seb2001

Hi [redacted],

I couldn't access the first of the links but have got the main feasibility though. Is the Project Dev brief contained within that?

[redacted]

---

From: [redacted]  
Sent: 14 May 2013 11:21  
To: [redacted]  
Subject: Greenock Ocean Terminal, Greenock: seb2001

1

As a test, this is a link to the [Project Development Brief](#). Please let me know whether or not it works.

The main part of the feasibility study is too big to send as an attachment (18Mb or so). I've set up a temporary folder on the public drive and put it [here](#).

As indicated, we could perhaps go through the main documents on Lync, then I can send you copies of anything else after that that you think you might need.

=====  
[redacted]

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[redacted]

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From: [redacted]  
Sent: 10 June 2013 16:40  
To: [redacted]; [redacted]; [redacted]  
Subject: RE: State Aid - Greenock Ocean Terminal

Thanks [redacted], most helpful.

---

From: [redacted]  
Sent: 10 June 2013 15:05  
To: [redacted]; [redacted]; [redacted]  
Subject: State Aid - Greenock Ocean Terminal

[redacted]/ [redacted]/ [redacted]

Following our meeting this afternoon I write to summarise my interpretation of the State aid position with regard to the public funding of works at the Greenock Ocean Terminal.

Aid for Land Remediation. Based on the proposal as presented, I consider it unlikely that the UK's approved Aid for Land Remediation Scheme (N 385/2002 – N 221/2006) could be used to meet the costs associated with all or part of the construction of the quay wall. Had the project simply involved the repair and restoration of land at the quayside, including the repair of a damaged or unsafe wall structure, then that type of activity may have been supportable. This project is all about the construction of a brand new quay structure and as such does not meet the definitions allowed for under this scheme.

Scottish Property Support Scheme. It is possible that the activities being undertaken can be partially supported under this scheme (X 155/2008) in a State aid compliant way, provided aid intensities are observed.

Dredging. The waterway can be used by all vessels, provided they pay market rates for port services where appropriate. The 'land' or 'estate' is owned by Crown Estates and it is likely that the dredging of the sea bed to increase clearance and access would be regarded as 'public-realm' and as such, benefitting no specific end-user. If this is the case then the likelihood of aid being present in the public funding of this activity is minimised.

I hope this is helpful and am happy to discuss further as necessary

Best Regards

[redacted]

\*\*\*\*\*

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Dh'fhaodadh gum bi teachdaireachd sam bith bho Riaghaltas na h-Alba air a chlàradh neo air a sgrùdadh airson dearbhadh gu bheil an siostam ag obair gu h-èifeachdach neo airson adhbhar laghail cile. Dh'fhaodadh nach eil beachdan anns a' phost-d seo co-ionann ri beachdan Riaghaltas na h-Alba.

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\*\*\*\*\*  
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[redacted];

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From: [redacted];  
Sent: 30 July 2014 08:11  
To: [redacted]; [redacted];  
Cc: [redacted]; [redacted]; [redacted]; [redacted]; [redacted]; [redacted]; [redacted]; [redacted]; [redacted]; [redacted]; [redacted]; [redacted]; [redacted];

Subject: RE: Glasgow City Deal, Rail Link to Glasgow Airport  
Minister,

Following my note of 24 July, I wanted to give you an update on the progress of the Glasgow Airport tram-train work and to set out my understanding of the next steps for this as they are tied up with the Glasgow Clyde Valley City Deal work.

My rail colleagues are drawing together their report on the feasibility of the tram-train set out in the Glasgow Airport Strategic Transport Network Study, GASTN, and which we have previously stated would be completed by the end of August. When we originally commissioned this work we anticipated that should it be positive an announcement would be made moving the work to the development of the business case for the project. Since that time, Glasgow City and Clyde Valley authorities have come forward with their City Deal and the Deputy First Minister announced the contribution of £500 million matching the contribution of UK Government. Work is on-going to finalise the wording of the City Deal, with advice from Cities Colleagues ([redacted];, 24 July) setting out a number of points where Ministers' thoughts are sought. One aspect of this is the governance of the City Deal going forward to ensure that projects are supported by robust business cases.

The emerging findings from the feasibility work are that whilst a tram-train appears technically feasible there is a number of challenges to its operation and delivery that suggest the project capital and operating costs are likely to be considerably greater than those included within the GASTN report, and the benefits less clear cut. [redacted] has already highlighted some of these as being to do with Central Station platform capacity and possible solutions to his. We are checking these to ensure the findings are robust before publication. Similar constraints apply to heavy rail solutions, albeit with a higher base cost. The City Deal is clear that the project would be taken forward by Glasgow City and Renfrewshire Councils, with them sharing the capital and operating cost risk and envisaging construction after 2020. Should the costs change from those already published there is likely to be some criticism and we will robustly defend both the technical feasibility work and again highlight the concerns we have with the GASTN report. These include the report not drawing out the impact on other bus and rail users and a continued lack of confidence in the passenger forecasts.

Rather than announce the moving of the project from technical feasibility to business case development, discussion with communications colleagues suggests we announce the findings of the feasibility work given the ongoing media and political interest in the issue and make clear that this is being shared with the Councils as part of the Scottish Government's contribution to City Deal. Details for handling around the actual City Deal itself are not developed and it may be that this be wrapped up as part of that in due course. I understand that it is hoped to have some form of announcement on the deal in mid-August. It is not clear whether Glasgow Airport are briefed on this change in the approach to taking the project forward and the Councils are meeting the Airport today (30 July), to which SG/TS have been invited and after which I hope this will be clearer.

It would be helpful to know whether you are content with this proposed approach to passing the work to the Councils and to our continued working with them as they progress the project.

Regards

[redacted];

---

From: [redacted];  
Sent: 24 July 2014 14:29  
To: [redacted]; [redacted]; [redacted];  
Cc: [redacted]; [redacted]; [redacted]; [redacted]; [redacted]; [redacted]; [redacted]; [redacted]; [redacted]; [redacted];  
Subject: RE: Glasgow City Deal, Rail Link to Glasgow Airport

[redacted],

[redacted]'s earlier note on the process which could be followed to deliver the project means we would be involved. The level of involvement is something that is also being explored within the context of the City Deal itself and about which further advice is being developed in conjunction with Cities colleagues.

Thanks

[redacted]

---

From: [redacted]  
Sent: 24 July 2014 12:29  
To: [redacted]; [redacted]; [redacted];  
Cc: [redacted]; [redacted]; [redacted]; [redacted]; [redacted]; [redacted]; [redacted]; [redacted]; [redacted]; [redacted];  
Subject: Re: Glasgow City Deal, Rail Link to Glasgow Airport

[redacted]

Minister agrees with the lines but when we say the Councils are still taking forward the project recommended in the feasibility study, that is conjunction with SG/TS?

[redacted]

---

From: [redacted]  
Sent: Thursday, July 24, 2014 12:06 PM  
To: [redacted]; [redacted]; [redacted];  
Cc: [redacted]; [redacted]; [redacted]; [redacted]; [redacted]; [redacted]; [redacted]; [redacted]; [redacted]; [redacted];  
Subject: RE: Glasgow City Deal, Rail Link to Glasgow Airport

[redacted],

Following discussion with [redacted], the lines are now proposed as:

“We welcome the inclusion of improved off-road surface access to Glasgow Airport in the Glasgow City Deal to which the Scottish Government is a full partner contributing £500 million to the £1.13 bn Glasgow City Region Infrastructure Fund. We remain committed to improving surface access to the airport and since

the publication of the Glasgow Airport study have been working with Glasgow Airport to take forward the report's longer term proposals for a tram-train running from the airport to join the existing rail network into Glasgow.

“The City Deal makes clear that the improvements cover the projects emerging from the Glasgow Airport study and our work on the tram-train will inform these. Glasgow City Council and Renfrewshire Council have made clear they propose to take forward delivery of the project. Our ongoing feasibility work has highlighted some key challenges to the delivery of any rail link and we will continue to work with the Councils to address these.

“As a signal of our ongoing commitment to improve rail travel in the Renfrewshire area, we have already provided enhanced passenger services and 38 new class 380 trains, providing 130 additional carriages through the Paisley Corridor Improvements.”

Regards

[redacted]

---

From: [redacted]  
Sent: 24 July 2014 08:43  
To: [redacted]; [redacted]; [redacted];  
Cc: [redacted]; [redacted]; [redacted]; [redacted]; [redacted]; [redacted]; [redacted]; [redacted]; [redacted]; [redacted]; [redacted]; [redacted]; [redacted];  
Subject: RE: Glasgow City Deal, Rail Link to Glasgow Airport

[redacted],

The following line in respect of GARL has been agreed with colleagues for consideration by [redacted] and Spads:

“We welcome the inclusion of improved off-road surface access to Glasgow Airport in the Glasgow City Deal to which the Scottish Government is a full partner contributing £500 million to the £1.13 bn Glasgow City Region Infrastructure Fund. We remain committed to improving surface access to the airport and since the publication of the Glasgow Airport study have been working with Glasgow Airport to take forward the report's longer term proposals for a tram-train running from the airport to join the existing rail network into Glasgow.

“The City Deal makes clear that the improvements cover the projects emerging from the Glasgow Airport study and our work on the tram-train will inform these. There is no specific reference to GARL. This Government cancelled GARL in 2009, saving £176 million of public money. The land previously acquired for the GARL project has been sold on the open market, following the guidance and principles outlined in the Scottish Public Finance Manual (SPFM) and there are no plans to reinstate the scheme.

“Glasgow City Council and Renfrewshire Council have made clear they propose to take forward delivery of a rail link to Glasgow Airport. Our ongoing feasibility work has highlighted some key challenges to the delivery of any rail link and we look forward to continuing to work with the Councils as these are addressed. Going forward any rail link which impacts on the strategic rail network will have to be agreed with Transport Scotland.

“As a signal of our ongoing commitment to improve rail travel in the Renfrewshire area, we have already provided enhanced passenger services and 38 new class 380 trains, providing 130 additional carriages through the Paisley Corridor Improvements.”

Thanks

[redacted]

---

From: [redacted]  
Sent: 16 July 2014 16:55  
To: [redacted]; [redacted]; [redacted];  
Cc: [redacted]; [redacted]; [redacted]; [redacted]; [redacted]; [redacted]; [redacted]; [redacted]; [redacted]; [redacted];  
Subject: RE: Glasgow City Deal, Rail Link to Glasgow Airport

[redacted]

[redacted] was grateful for this note and agrees that we should not score any points here, though he is certain others will. Nevertheless he is of the view that we must have a clear line on GARL, to be agreed by Spads and [redacted].

The Minister's view is that we have been clear, that GARL is not being taken forward by or with SG. Our joint study (inc GA, GCC and RC) came out with Tram Train as the most cost effective option and we are continuing with this process, with the active support of Glasgow Airport.

If GCC and the UK Gov say they are looking a new GARL we should revisit whether to continue our work on the Tram Train option. [redacted] would like to know how it might be possible for GCC/UK Gov to progress a variant of GARL without the support of SG?

Thanks, [redacted]

---

From: [redacted]  
Sent: 16 July 2014 13:23  
To: [redacted]; [redacted]; [redacted];  
Cc: [redacted]; [redacted]; [redacted]; [redacted]; [redacted]; [redacted]; [redacted]; [redacted]; [redacted]; [redacted]; [redacted]; [redacted]; [redacted];  
Subject: Glasgow City Deal, Rail Link to Glasgow Airport  
Minister,

Rail colleagues advised earlier this week of the visit by [redacted], to Scotland next week, and in particular his visiting Glasgow Airport on Thursday 24 July. We understand this visit will be used to reinforce the funding for the Glasgow City Deal, and in particular its inclusion of a rail link to the airport. Discussions with the leaders of the Glasgow City Deal have highlighted that they are firmly of the view that Glasgow City Council and Renfrewshire Council will take forward the delivery of the rail link. No details or programme for delivery of a rail link have been provided beyond an allocation in the City Deal of some £144.3 million to deliver "the emergent projects arising from the STAG appraisal process investigating improved off-road surface access from Paisley Town Centre/ Gilmour Street and Glasgow Airport". To this extent, the project description is consistent with the GASTN report published earlier this year. The leaders are well aware of the feasibility work we are undertaking at your request and that this will be reported in August.

There is no question that delivery of any rail link to the Airport will require discussion between the Councils and Transport Scotland and we are seeking to begin that in light of this new assertion. Whilst the delivery of the rail link is firmly linked with the funding provided through the City Deal, and therefore grant funded by Scottish and UK government, the extent of Ministers' involvement in the delivery of the detail of the schemes in the City Deal is not settled. It may be expected that the Councils will seek to play off the delivery of the project by referring to the cancelled GARL. Set against this is the fact that funding for the City Deal provides a mechanism to deliver a transport project that has arisen from a consideration

of the evidence. In considering Ministers' stance there is a balance to be struck between maintaining support of the GARL decision in 2009 and the opportunity and risks to deliver surface access improvements that have the support of both the local Councils and the Airport.

On this basis I would think the best line is to welcome the commitment of the Councils to a new project and that we'll be happy to work with them. Privately we doubt any new project would look like a restored GARL Mark 1 but it isn't possible to say that now. As matters move forward we believe any fresh project will look different and involve less disruption to the airport. On that basis the scope for point scoring should be limited. However that is for another day. In the meantime we consider Ministers' best position is to welcome the Councils' commitment and indicate a willingness to work with them. It would be helpful to know if you are content. Regards

[redacted]

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