
Report to: Clackmannanshire Council

Date of Meeting: 12 April 2018

Subject: City Region Deal: Heads of Terms Agreement

Report by: Executive Director

1.0 Purpose

- 1.1. Negotiations have been taking place with both UK and Scottish Governments to reach a Heads of Terms Agreement on a City Region Deal for Stirling and Clackmannanshire. This is approaching its conclusion and it is anticipated that an offer will shortly be forthcoming, which Clackmannanshire Council must be in a position to accept or reject within a short period after the offer is made.

2.0 Recommendations

- 2.1. It is recommended that the Council agrees to delegate authority to the Chief Executive, in consultation with Group Leaders, to accept the offer of a Heads of Terms Agreement for a City Region Deal for Stirling and Clackmannanshire, in so far as its content relates to Clackmannanshire.

3.0 Considerations

- 3.1. We are seeking the financial investment from UK and Scottish Governments, through a City Region Deal, to deliver a programme of change for the region that will unlock our full potential and result in a healthier, wealthier, greener and better connected future.
- 3.2. Over the next 10 years, the programme for inclusive and sustainable economic growth is designed to help us transform the local economy by boosting jobs and business density with a substantial positive impact on economic and social inclusion.
- 3.3. Clackmannanshire's economy has particular strengths however it is characterised by a poor jobs density. Clackmannanshire residents out-commute to a greater extent than those in many other authorities as there are simply not enough jobs for those who need to work close to home. The City Region Deal will, among other things, help address this by diversifying and expanding the economic base and providing improved infrastructure.
- 3.4. Economic Growth in itself, whilst welcome, has been shown historically not to address deep seated economic exclusion. A distinctive feature of the Deal is

that alongside capital projects will be a structured Skills & Inclusion programme which is designed to ensure that our most excluded residents are actively included. Target groups for this activity will be those identified in the Local Outcome Improvement Plan and through an Inclusive Growth Diagnostic process¹.

3.5. The programme has been built on a considerable evidence base which shows that as a result of the investment, the following outcomes can be achieved regionally;

- Achieve a permanent GVA uplift of 6 – 7 % for the region.
- Create 3000 additional jobs over the life of the City Deal.
- Increase sustainable tourism by 25%.
- Ensure growth is sustainable.
- Ensure all citizens benefit from growth through a targeted Skills & Inclusion programme.
- Close the health inequalities gap between those who are most advantaged and disadvantaged.

3.6. In addition, subject to the formal offer within the Heads of Terms, the programme will locally deliver:

- Activity to support the achievement of the LOIP priorities,
- Increased investment in research & development which will boost the local economy and drive jobs growth at all levels of the labour market,
- An increase in both jobs and business density.

3.7. If there is no delegation of authority to accept the offer, the Council may not be in a position to reach a Heads of Terms agreement for the City Region Deal.

4.0 Sustainability Implications

4.1. Due to the nature of the proposed projects the Deal is likely to have positive impacts on sustainability. Individual projects will be subject to appropriate assessment of sustainability, environmental impact, planning consents etc.

5.0 Resource Implications

5.1. Financial Details

5.2. The full financial implications of the recommendations are set out in the report. This includes a reference to full life cycle costs where appropriate.

Yes

¹ The Inclusive Growth Diagnostic is a process devised by the Scottish Government to support the identification of inclusive growth priorities. It is a requirement that all regional partnerships complete this prior to any deals being agreed.

5.3. Finance have been consulted and have agreed the financial implications as set out in the report. Yes

5.4. The delegation of authority as above does not impact on resources.

6.0 Exempt Reports

6.1. Is this report exempt? Yes (please detail the reasons for exemption below) No

7.0 Declarations

The recommendations contained within this report support or implement our Corporate Priorities and Council Policies.

(1) **Our Priorities** (Please double click on the check box)

Clackmannanshire will be attractive to businesses & people and ensure fair opportunities for all

Our families; children and young people will have the best possible start in life

Women and girls will be confident and aspirational, and achieve their full potential

Our communities will be resilient and empowered so that they can thrive and flourish

(2) **Council Policies** (Please detail)

8.0 Equalities Impact

8.1 Have you undertaken the required equalities impact assessment to ensure that no groups are adversely affected by the recommendations?

Yes No

9.0 Legality

9.1 It has been confirmed that in adopting the recommendations contained in this report, the Council is acting within its legal powers. Yes

10.0 Appendices

10.1 Please list any appendices attached to this report. If there are no appendices, please state "none".

None

11.0 Background Papers


11.1 Have you used other documents to compile your report? (All documents must be kept available by the author for public inspection for four years from the date of meeting at which the report is considered)

Yes (please list the documents below) No

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Approved by

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