

Appendix 2: Scottish Government Growth Deal Principles

Criteria

Core Principles – the basis on which SG is engaging

1. Any deal must fit within the overall framework of Scotland's Economic Strategy – making a clear and measurable significant long-term contribution to both prosperity and fairness
2. Any deal must operate at a functional economic geography and be underpinned by robust governance at the regional level that includes key stakeholders (e.g. the wider public sector, business and industry).
3. The starting point for discussion should be a regional strategic vision for economic development.
4. Any deal would not diminish the requirement for individual projects to be appraised using established appraisal tools, including Green Book, STAG, EIA, as appropriate.
5. Discussions about a possible city deal do not constitute a commitment to agree a deal.

Assessing proposals

1. Project definition. What are the actual assets that are being proposed for funding support. ie enabling public works or assets (such as roads, public realm, park & ride) or more "commercial" property type assets such as offices, industrial premises or housing; or both?
2. Is this a single package. To what extent could the proposal be scaled? Where/what are the priorities?
3. Evidence of demand. To what extent is the basis of the proposed project demand driven, what evidence is there for this, what plans are in place to maximise the likelihood of this demand being realised or being created?
4. What are the benefits. Clear articulation of the overall impact – financial, inclusion, jobs, etc.
5. Who benefits. Who are the ultimate beneficiaries of the project in terms of financial (public sector or private sector income/returns), or other wider impacts (jobs, inclusion, CO2, GVA etc)
6. Delivery and outcome risk. Where does the relative risk in terms of delivery and benefit realisation (as highlighted in 4) sit.
7. Phasing. What options for phasing have been considered both in terms of scope and scale of the proposals, as a means to demonstrating need or demand and potentially a means to mitigating risk.
8. Interdependencies. Are the interdependencies with either other projects (city deal or wider) or other external factors identified and understood? Read across to TIF?

26/07/2017