



CSPP SIX CITIES POLICY CHALLENGE DINNER

22rd June 2011, Scottish Storytelling Centre, Edinburgh

IN PARTNERSHIP WITH BRODIES LLP, CITY OF EDINBURGH COUNCIL, GRANT THORNTON, HIGHLAND COUNCIL, NESTA, KIRKFOURTH ASSOCIATES & STIRLING COUNCIL

Key Messages & Recommendations

The Following sections highlighted the main themes captured during the Dinner, with some thoughts on how to progress:

1. Need for a Clear Strategic Vision

There was a clear agreement that there is a lack of concise & consistent vision, in which to “unify” the Six Cities, to ensure maximum benefit as a whole to Scotland, focused on economic recovery, developing sustainable long term growth and ensuring the foundations for a competitive Scotland of the future.

Whilst there is a perception that “everyone” has different priorities, the general consensus is that ambitions tend to be uniform. A more formal relationship between each of the Cities would help to align this strategic thinking. Without a clear set of objectives regards the role, function and future contribution to be made by the Six Cities, in a unified context, success will be limited.

We need to be aligned in terms of our future objectives and how we can all benefit. For example although very much focused on the importance of the Commonwealth Games in 2014 and the spin off opportunities around the country, some cities are currently at a disadvantage. Within Stirling, for instance, there is an “under bedding” issue due to a lack of hotels in the city. If this is not resolved, there is a fear that the City may not receive maximum benefit from one of the largest opportunities to come to Scotland in decades. This would effect immediate benefits and in turn affect potential legacy benefits such as future tourism opportunities. Cities need to jointly understand and develop demand whilst considering how to supply.

There is a need to review the relationship between the Six Cities and their respective regions, in order to confirm overall opportunities & objectives and to the key players together in a more formal role. The focus must be on sustainability. We need to build on currently produced legacies (e.g. 2014) and expand these to understand what can be shared, grown and developed.

Far from wanting a legislative change, it was opined that another round of top down restructuring would actually be a costly distraction and that what is really needed is more momentum behind shared services & partnerships, strengthening capacity to deliver good outcomes. It is believed that losing control within partnership work is not a major issue as the partnership should not be about control but rather a shared vision regarding ideas/solutions and approaches.

We need to work together for more strategic decision making and a greater economic and efficient result. It is hoped that recently published local Government reform reports by Sir John Arbuthnott and more recently by the Christie Commission will help to focus the political agenda; however these need to be considered in the context of an overall “joined up” vision and programme for success.

A Scottish Government Action plan must be clear. There is a need for the new government to view Cities as the engines for economic growth. Key elements should include devolving more powers away from the centre towards regional lines. With increased financial autonomy, a renewed focus on the powers that deliver the economy would take place – improving our competitive advantage on “traditional” industries such as financial services and life sciences, maintaining a competitive cost base. In order for this to be successful, however there needs to be an upfront, agreed blueprint outlining the route map for success and including named roles/individuals having accountability & responsibilities to make key objectives take place. Key elements include identifying:

- Individuals that will drive them through
- Involved stakeholders
- Governance structure to hold people accountable for delivery of targets

It is believed that Scotland needs to have a clear concise debate, focussing on the power between local and central Government. Cities need more economic development powers, more freedom and creativity to chart an autonomous policy course, whilst aligned across the regions. We also need to educate the public of the key powers and responsibilities of Councils, with greater encouragement given to result in a greater turnout in Local Authority Elections, and consider initiatives such as TIFs, and other incentives to grow the local business rate base.

2. Current Political Barriers

There is a perception that within the context of representing the Six Cities there is a current lack of clear leadership & direction. Although at a local level, there is ambition and outlined objectives – such as sustainability, economic reform, becoming a leader in the digital economy and promoting a successful service based knowledge economy - there is no clear joined up strategy. In addition, there is a perception that because of the proximity of the recent Government and the forthcoming council elections, Local Government politicians have “shied away” from making key decision due to future political uncertainty.

Councillors, need to be more strategic, however, there is currently a fear that this will be diminished with reduced leadership majorities within Councils. Within a national context, Councils are not seen as strategic by the public and turnouts at local elections are still low. There is a need for “one voice” to promote the relationship between the Six Cities and their respective regions, in order to educate and excite the public into understanding what this joint synergy can achieve. The strength of both Highland and Stirling Councils’ position vis-à-vis their relationship with their regional hinterland, within largely their own boundaries is recognised.

3. Need to Identify a Target Delivery Model

Traditional Council structures, with the existing Executive model have not delivered on a national context. Debate needs to take organisational (and decision making) structures into account, analysing which work better than the others.

There is a perceived issue with transparency; therefore the people aspect is important. Culture change is a big issue and will need to be addressed, as we need civic figureheads, who need to be as apolitical as possible and trusted by the public to deliver on a national and local level.

Interestingly, at both a local and national level, there are few measurable indicators set in which progress towards proposed objectives can be monitored or that real tangible benefits can be communicated. In order to achieve goals, target measures need to be set, measure, monitored and owned.

4. Need for Connectivity to allow for Co-ordination

Cities are about flows – human, economic, knowledge, information etc. In order for these “flows” to be successful, an adequate infrastructure needs to exist. Although Scotland is not hugely geographically dispersed in terms of locations between cities, there are barriers which reduce the potential to co-ordinate, communicate and co-operate. A key importance is that of inter-city connectivity. Considerations should take place to provide a strategic overview on hard, physical areas such as transport, IT infrastructure and also in ‘softer’ service delivery functions such as linkage between social policy objectives.

Outputs should focus on areas such as national transport links, infrastructure (including improved broadband access) and matching of skills. Key aspect of this could include joining up key resources such as further and higher education with local and central government functions.

In general it is believed that there is a need for a strategic overview on national transport, infrastructure and skills. Scotland has a relatively small population and a number of small cities, which specialise in different industries. There would be a requirement for strong transport links between the Scottish cities for this to work, such as fast trains. There are also pressures to share some local authority services due to funding reductions. Any effort to join up Scottish cities could also benefit this, and vice versa.

In moving this forward, considerations should be given to “de-politicising” infrastructure, establishing an independent commission on infrastructure (such as the example carried out in Australia).

5. Relationship with Rural Neighbours

Scotland’s Cities can not afford to be “walled fortresses” and should involve rather than exclude their rural and smaller neighbours. Cities need to ensure strong connections to surrounding areas outside the city. Many people in commuting areas still identify with the city they work in and factors that affect them (such as the cost of commuting) should be taken into account by the city. This includes a sustainable approach to city growth. Strong relationships between local communities would be mutually beneficial due to the need for a joined up approach to growth and in policy affecting commuters, communities, joint ventures etc.

Key barriers still exist in infrastructure between cities and their communities. Boundaries do not really work on people, e.g. people may consider themselves Aberdonian, while technically living outside of Aberdeen). As an affluent part of society moves to more rural living they are prevented from up to date communication advantages or key efficiency processes such as agile working due to a lack of investment in broadband. In addition, by increasing the ability to work from home, broadband would ease road congestion and reduce pollution levels (allowing Cities to further promote green initiatives) whilst also bringing great benefits to smaller businesses resulting in greater economic growth to the region.

6. Skills Development & Social Responsibilities

Scotland’s cities have a duty to create the conditions for business start ups and to allow businesses to be innovating and expand.

The growth in jobs in Scotland has largely been driven by the public sector (with the key exceptions of the Oil & gas sector in the Aberdeen City Region and the growth of manufacturing being driven by export demand), although this is now being reduced due to funding reductions and the fact that jobs are being contracted out to the private sector. However, there is the recognition that successful organisations are resilient to financial change and can adapt to new climates. Focus therefore should be given in not only delivering this message to the private sector to encourage innovation and resilience but to encourage focus on further developing existing industries and looking to attract new services in order to build and maintain the foundations for future employment within our Cities.

This focus is also relevant for ensuring that redundancies do not mean the drain of key resources from cities. The financial situation of an individual affects their willingness to risk starting their own business – i.e. children, mortgage, and other dependents. Necessary redundancies, although unfortunate, in the public sector and the collapse of some large businesses free up workers and may help to drive innovation and entrepreneurship among those who would otherwise not start their own business. This could also result in many small businesses filling the space previously occupied by a collapsed large business. Conditions in the city must help this to happen. A culture of entrepreneurship and knowing other individuals who have started their own business helps to drive new business start ups.

Focus must be made to attracting and retaining key skills and individuals. We need to attract younger people. The importance of this needs to be recognised and current examples include the “Edinburgh Guarantee” which initially targets school leavers, focusing on the importance to act and tackle rising youth unemployment.

There also needs to be a tangible link to allow for a seamless transition from study to employment including funding and support for graduate placements, business start ups, research and entrepreneurial opportunities. Student experiences, for example, are key to retaining graduates. Cities must have good housing, entertainment, social and recreational facilities. A key advantage of such encouragement is the resultant “younger city” factor where the average age of population is reduced, more disposable income is available for re-investment and a more vibrant, creative and future thinking environment is created.

Universities must be more responsive to labour market trends. Currently there are skill shortages in new industries, such as renewables, and some universities do not see their role as ensuring that graduates are ready for the labour market, leading to employers highlighting a lack of commercialisation amongst graduates. Exceptions do exist and examples such as the University of Abertay and its supply to the games industry should be encouraged to illustrate how a university can plan for the future, tailoring their focus, curriculum to match future needs.

In addition we need to get communities involved in projects. There is a tension with government control and empowering communities. However, there are a number of willing active people {Volunteering}. The 2014 Commonwealth Games is currently oversubscribed 28 times by volunteers.

There may be an issue that, where we have resources, we don't know what to do with them. We therefore need to investigate aligning these with “back to work” organisations, allowing people to develop experience and to obtain necessary certificates (e.g. security clearance) whilst out of work. Focus should be on delivery & results rather than an endless round of consultation.

All of the above initiatives can be carried out in a co-ordinated manner, across Scotland, with placements being pooled and advertised to share opportunities, supply demand and enhance our national workforce. In addition key focus will also ensure the success of major capital projects coming forward and increase growth and development of small and medium sized enterprises.

We need to set funding priorities regarding connectivity. Key challenges include making cities attractive places to live, work and visit. Traditionally it is believed that planners may see a conflict

between business and residential districts. There is a great prize in diversifying city centers- but it requires creative thinking. It is not just a planning problem.

Key consideration need to include future planning and focus on social housing and improving the health conditions of our citizens. In order to attract and maintain people to live in our cities we need to continually focus on providing a high standard of living to motivate and support individuals.

Key benefits of this can be gained through joint ventures. Examples include the piloting of Health & Council services in Inverness, where the Health Services take care of all aspects of elderly care and Council Services take care of all aspects of youth and child care. Again this area needs to be co-ordinated across the country to ensure that poverty is minimized and social needs are fulfilled where and when required.

7. Funding Opportunities

Funding arrangements do not recognise the pressure on city services and infrastructure from non-city Council or Business Tax payers and a strategy for the Six Cities and corresponding city regions should combine available resource (and market for “joint” investment) to improve economic impact and benefit. This joint strategy must ensure that the cities can raise finances locally to unlock their infrastructure and ensure that they are able to retain more of the money raised.

A major issue, observed was the current lack of private investing opportunities. As the key driver of Scotland’s economic recovery and our longer term sustainable growth, investment in our cities goes far further that to benefit those who live, work and study with their boundaries. Focused investment in our cities will also promote our rural communities, develop our research & development skills and capabilities, enhance our educational offerings and further grow our key assets of tourism and event hosting. There is a clear desire to develop new funding mechanisms

We need to ensure successes are long term, ongoing and sustainable. This involves a clear and concise focus on what we need to achieve. In our now “post industrial world” we now have more people in tourism that there are in shipbuilding, so we need to make sure that we nurture this market by attracting future events to continue to employ them in the same way we would “lobby” to secure major manufacturing contracts.

In addition, Scotland needs to market itself more effectively. Linking Scottish cities together and advertising them as one in order to attract business would be the best approach, similar to the approach taken by Holland. Examples include the need to promote & share opportunities e.g. promote the currently untapped potential for conference performances, highlighting venues in Perth.

A key element to encourage future funding is to improve the access channels from public sector organisations. There is a need for additional and developing expertise from both the public & private sector. This starts with education and consultation on procurement channels. These are currently seen as cumbersome and bureaucratic. In addition, there is a need to address legislative barriers regarding EU Public Procurement Law, the aggregation of contracts below the threshold and getting the most out of bigger contracts awarded in the area (post contract discussions re community benefits and generating employment within the area.

These current “barriers” need to be reviewed to allow up front ideas to be shared and considered, whilst still allowing for true and fair procurement tenders. This will lead to a programme of developing stronger partnerships and enhanced objective setting. Alongside this, opportunities, such as in tourism growth driven by the Commonwealth Games and other events, must be recognised and maximised.

Ross Kirkwood, Managing Director, Kirkforth Associates

On behalf of CSPP

Appendix 1 - ATTENDEES & SEATING PLAN

Edinburgh Table

1. Table Host: Melvyn Ingleson, CSPP Board Member
2. Sue Bruce, Chief Executive, City of Edinburgh Council
3. Jackie McKenzie, Head of Innovation Programmes Scotland, NESTA
4. Councillor Jenny Dawe, Leader, City of Edinburgh Council
5. Liz McAreavey, Director of Development, Edinburgh Chamber of Commerce & Interim CEO, Essential Edinburgh
6. Dave Anderson, Director, City Development, City of Edinburgh Council
7. Alison Muckersie, Senior Manager - Strategy & Research, Economic Development, City Development, City of Edinburgh Council
8. Greg Ward, Head of Economic Development, City of Edinburgh Council
9. Barry McCulloch, CSPP Policy Manager (Reporter)

Glasgow Table

1. Table Host: Craig McLaren, National Director, RTPi Scotland
2. David Coyne, Head of Business and the Economy, Development & Regeneration Services, Glasgow City Council
3. Philip Colligan, Executive Director, NESTA Public Services Lab
4. Alistair MacDonald, Head of Planning Services, Development & Regeneration Services, Glasgow City Council
5. Ian Todd, Director, People Scotland Ltd – REPLACED BY ALEX STOBART, PEOPLE SCOTLAND Ltd
6. Janette Harkess, Director of Policy & Research, SCDI
7. Patrick Flynn, Head of Housing Services, Development & Regeneration Services
8. Ross Kirkwood, Partner, Kirkforth Associates (Reporter)

Stirling Table

1. Table & Dinner Host: Ross Martin, CSPP Policy Director
2. Bob Jack, Chief Executive, Stirling Council
3. Kerry Alexander, Associate Director, Government & Infrastructure Advisory, Grant Thornton*
4. Councillor Scott Farmer, Depute Leader, Stirling Council
5. Rebecca Maxwell, Assistant Chief Executive for Sustainability, Economy & Environment, Stirling Council
6. Provost John Hulbert, Perth & Kinross Council
7. Des Friel, Head of Economy, Employment & Youth, Stirling Council
8. Deborah Murray, Economic Development & Tourism Manager, Stirling Council
9. Richard Howson, Chief Operating Officer, Carillion plc
10. Noelle Maye, CSPP Intern (Reporter)

Inverness Table

1. Table Host: Mary Goodman, Senior Policy Adviser, FSB Scotland
2. Councillor Jimmy Gray, Provost of Inverness, The Highland Council
3. Nathan Goode, Partner, Government and Infrastructure Advisory, Grant Thornton
4. Councillor William Ross, Chair of Planning, Environment & Development Committee and the Planning Review
Body, The Highland Council
5. Depute Provost Willie Wilson, Perth & Kinross Council
6. William Gilfillan, Corporate Manager, The Highland Council
7. Stuart Black, Director of Planning & Development, The Highland Council
8. Jessica Barrett, CSPP Intern (Reporter)

Aberdeen Table

1. Table Host: Richard Heggie, Director, Urban Animation
2. Valerie Watts, Chief Executive, Aberdeen City Council
3. Jackie McGuire, Partner, Brodies LLP
4. Councillor Kevin Stewart, Depute Leader, Aberdeen City Council
5. Graeme Downie, Communications Manager, Scotland & Northern Ireland, NESTA
6. David Littlejohn, Head of Planning & Regeneration, Perth & Kinross Council
7. David Halliday, Business Improvement District (BID) Project Director, Enterprise, Planning & Infrastructure, Aberdeen City Council
8. Councillor Alan Grant, Perth & Kinross Council
9. Nick Bizas, CSPP Intern (Reporter)

Dundee Table

1. Table Host: Chris Brodie, Director, SLIMS
2. Mike Galloway, Director, City Development, Dundee City Council
3. Christine O'Neill, Partner, Brodies LLP
4. Bernadette Malone, Chief Executive, Perth & Kinross Council
5. Paul Varley, Managing Director, Carillion Energy Services
6. Diarmaid Lawlor, Head of Urbanism, Architecture + Design Scotland
7. Iain Scott, Founder, Cognitive Business Therapy
8. Dan Hill, Associate Director at Urban Initiatives and Director at SmartUrbanism
9. Robbie Pye, CSPP Intern (Reporter)