

Cross-Party Group in the Scottish Parliament on Industrial Communities – Minute of Meeting held on Wednesday 20th December 2017

In attendance – Colin Beattie MSP (Chair), John Mason (MSP), Cllr. Altany Craik, Cllr. Peter Henderson, Cllr. Russell Imrie, Cllr. Stephen Curran, Prof. Steve Fothergill, Prof. John Bachtler, Karl Reilly, Duncan Nisbet, Andrew Ralston, Aileen Scobie, Ian McCrory, Duncan Nisbet, Roddy MacDonald.

Apologies – Richard Leonard MSP, Angus MacDonald MSP, Bob Young, Brian McLeish, Cllr. Willie Doolan, Cllr. Tony Buchanan, Cllr. Mohrag Fischer, Cllr. Andrew Wood, Cllr. Peter Craig, Cllr. Alex Gallagher, Cllr. John McGhee, Cllr. Margot Russell, Cllr. Iain McLaren, Ian McAlpine, Linda Aird, Julie McLachlan, Kenny Lean, Malcolm Leitch.

Minutes of the Previous Meeting

The minutes were approved. Proposed by Cllr. Altany Craik and seconded by Cllr. Stephen Curran.

Matters Arising

Professor Steve Fothergill sought clarification on when representatives will be meeting Keith Brown MSP, Cabinet Secretary. The details will be confirmed by Colin Beattie MSP in early course. It was also agreed that the core agenda item for the next meeting will be a presentation by Professor Steve Fothergill on 'The Real Level of Unemployment 2017' based on research carried out by himself and colleagues from Sheffield Hallam University, Centre for Regional Economic and Social Research.

The Future of Regional Policy in the UK: A Fresh Start or More of the Same? – Presentation by Professor John Bachtler, European Policies Research Centre, the University of Strathclyde

Professor John Bachtler provided a comprehensive analysis of this topic and a summary of pertinent points are outlined below. A copy of the full presentation has been appended to the papers issued for the Cross-Party Group with sources attributed as appropriate.

Regional Inequality in the EU

The following points were highlighted;

- Major core-periphery differences across the EU
- Regional differences within some countries
- Urban-rural divides in countries especially in Central and Eastern Europe

Regional Inequality in the UK

The following points were highlighted;

- Geography of regional disadvantage still powerfully influenced by industrial decline since the 1980s

- Legacy of deindustrialisation in economic inactivity, un/under-employment, low pay, high levels of socio-economic deprivation
- Median income for non-retired households in 2017 is £29,300 almost the same as 2008 (£29,200)
- Little year-on-year change in level of income inequality
- Bottom quartile still lower than in 2008 and falling
- Huge problem of poverty and social exclusion
- Implications of low and irregular income
- Increase in child hunger and ill-health
- Number of emergency food supplies in 2015/16 – North West – 160,048; Scotland – 133,726; London – 110,364; Wales – 85,656

Implications of Brexit for regional development in the UK

The following points were highlighted;

- Changes in trade and investment
- Sectoral adjustment – change in the competitive position of different sectors
- Priority of government is national adaptation and sectoral issues: evolving picture and a balance of costs (short/medium term) and benefits (longer term)
- Move to a new economic model

Which way forward for UK regional policy?

The following points were highlighted;

- The policy features of long term evolution from the 1930s – 1980s led by Central Government in a “Top down” approach with objectives of employment creation and increased investment
- The policy features of long term evolution from the 1980s – 2000s led by Regional authorities with Local Government, the Voluntary sector as partners with a “collective/negotiated” approach

Regional Policy in the UK: recent trends

The following points were highlighted;

- Impact of crisis on government intervention including major cuts in spending, the loss of institutional capacity at regional and local levels
- Recent revival of thinking about sub-national scale of economic development including city regions, urban/regional partnerships and national-sub-national deals

Future regional policy in the UK: trends in other EU countries

The following points were highlighted;

- Focus on EU regional policies on structural weaknesses of regions in innovation and productivity
- Significant differences between frontiers and other regions
- Problem is rate of diffusion in innovation
- Support for responses to climate adaptation and environmental sustainability
- Managing “fair and balanced” regional transition to clean energy

- Social integration
- Targeting social exclusion – marginalised communities, integration for migrants, gender equality

Future regional policy in the UK: new directions?

Some quotes shared;

- “We see division and unfairness all around...Between the wealth of London and the rest of the country...we need to rebalance the economy...” Theresa May 2016
- “economic growth does not exist in the abstract. It happens in particular places...what is needed in each place is different, and our strategy must reflect that”. Greg Clark 2016

Future regional policy in the UK: economic and socially inclusive?

The following points were highlighted;

- Primary motivation for UK regional policy has been economic efficiency
- Contrast with other EU countries – regional policy underpinned by commitment to social justice

Future regional policy in the UK: what is a ‘place based policy’ model?

The following points were highlighted;

- Policy integration – cooperation between UK and Devolved Administrations; synergies across policy sectors
- Territorial specificity – geography – functional vs administrative regions?; balance between top-down and bottom up; is place primary or secondary to sectoral objectives?
- Bottom-up development – genuine empowerment of local communities and building capacity for exploiting local knowledge

Discussion and contributions from colleagues in response to the presentation included the challenges of “globalisation” and “the importance of the social dimension to our communities.”

The Future of Broadband Infrastructure in Scotland – Presentation by Duncan Nisbet, Stakeholder Engagement Director R 100 Programme

Duncan Nisbet provided a detailed analysis of the challenges set before us all. A summary of the pertinent points are outlined below;

Vision

Technology is clearly transforming how we live our lives. The Digital Strategy sets out our vision for Scotland. Building a future proofed infrastructure has to start now. It will underpin future economic growth.

“For Scotland to become a world class digital nation requires that people living, working and visiting Scotland can communicate and connect instantly using any device, anywhere, anytime.”

Commitment

We want every home and business in Scotland to have access to superfast broadband by 2021 – this is our “Reaching 100%” (R100) commitment. Superfast means speeds greater than 30 Mbps. No other part of the UK has matched this commitment. This is unique to Scotland.

Investment

On the 14th December 2017 investment of £600m was announced for the initial phase of the new R100 programme. This is the biggest public investment ever made in a UK broadband project. This equates to over double the amount of public funding committed to the current Digital Scotland Superfast Broadband (DSSB) roll-out and more than three times bigger than the UK’s Challenge fibre fund.

Procurement

The procurement process has been launched for the R 100 Programme. The approach aims to ensure that all parts of Scotland are within reach of accessible fibre. The initial procurement is split across three regional lots – North, Central and South. This approach is to maximise interest from telecoms suppliers from across the UK and Europe. The first phase will target rural Scotland. Commercial suppliers such as Virgin Media and BT are expected to fill the gaps in urban areas. The procurement process will take around 12 months with suppliers in place by early 2019.

Ensuring 100%

Scotland has some of the most challenging locations anywhere in Europe for providing telecoms infrastructure. It is expected, however, that this initial procurement will extend access to the vast majority of premises, bringing accessible fibre far closer to our most remote rural areas, additional measures will likely still be needed to provide superfast access to some of those areas. Key to this will be a superfast voucher scheme that will deliver a wide range of technologies including fixed wireless, 4G mobile, superfast satellite as well as emerging technologies such as TV White Space. The commitment to reach 100% will be delivered by the end of 2021. In the meantime, the Better Broadband Scheme will continue to offer an interim solution for those experiencing slow speeds that are not part of the current Digital Scotland roll-out.

AOCB

There were no additional items raised.

Concluding Remarks

The Chair thanked all for their support and attendance. The next meeting is now scheduled for the 21st March 2018 following an issue in securing a room on the 28th February.