

**Cross-Party Group in the Scottish Parliament on Industrial Communities – Minute of Meeting held on Wednesday 17<sup>th</sup> March 2021 via MS Teams**

**In attendance** – Colin Beattie MSP (Chair), Alex Rowley MSP, John Mason MSP, Clare Adamson MSP, Cllr. Altany Craik, Cllr. Peter Henderson, Cllr. Robin Currie, Ian McCrory, Bob Young, Prof. Steve Fothergill, Malcolm Leitch, Helen Martin, Stephen Garland, Kenny Lean, Louise Cameron, Roddy MacDonald.

**Apologies** – Neil Bibby MSP, Tom Arthur MSP, Cllr. Mohrag Fischer, Cllr. Russell Imrie, Cllr. Alex Gallagher, Julie McLachlan, Gary Porter, Professor John Bachtler.

**Minutes of the Previous Meeting**

The minutes were proposed by Cllr. Peter Henderson and seconded by Bob Young with no matters arising.

**Privacy Notice**

The Convener outlined the Privacy Notice for all in attendance. It was duly noted.

**Fair Work in Scotland – Helen Martin, Head of the Fair Work Convention Secretariat at the Scottish Government and Stephen Garland, Head of the Fair Work Unit at the Scottish Government**

Helen Martin provided a comprehensive presentation covering the following points.

- The Fair Work Convention was established in 2015 to advise the Scottish Government on matters of Fair Work and to develop a Fair Work Framework.
- What is Fair Work? The main themes are Effective Voice, Opportunity, Security, Fulfilment and Respect. Work should always be conducted in a way that offers respect and dignity. It should also be safe and should promote well-being and work-life balance.
- The Convention brings together employers and unions with academic expertise to advise Ministers on Fair Work and to advocate and promote Fair Work. The vision is that by 2025 people in Scotland will have a world-leading working life where Fair Work drives success, well-being and prosperity for individuals, businesses, organisations and society.
- The work of the Convention has both a sectoral focus – for example - inquiries have been launched into the Construction and Hospitality Sectors; and a cross-cutting capacity building focus – for example - December 2020 the Publication of the Report ‘Fair Work in Scotland’.
- The agenda as we move forward is challenging dealing with issues such as the disability employment gap; the ethnicity employment gap; youth unemployment rate; real living wage; trades union membership and many others.
- Finally, the Convention is committed to working in partnership with key stakeholders and welcomes the opportunity to engage with the Cross-Party Group.

Stephen Garland presented a perspective on 'Scottish Government and Fair Work' covering the following issues.

- There is a clear commitment to making Scotland a Fair Work Nation by 2025 through a Fair Work Action Plan, a Gender Pay Action Plan, An Employment Plan and a Race Equality Action Plan.
- Employment legislation is not devolved. However, there is a focus on rewarding 'behaviours' and promoting the benefits of Fair Work. Such as embedding Fair Work across Scottish Government Portfolios.
- Fair Work First is the Scottish Government's flagship policy for applying fair work criteria to grants, other funding and contracts being awarded by and across the public sector, where it is relevant to do so. Asking employers to adopt fair working practices such as trade union recognition, no inappropriate use of zero hours contracts and payment of the Real Living Wage.
- Fair Work achievements include – the number of accredited Living Wage employers has risen from 14 in 2014 to over 1,950 in 2021 with more than 43,100 workers seeing an uplift in their pay to at least the Real Living Wage. Additionally, Fair Work First criteria have been applied to £2.4bn worth of public funding awarded since the publication of the Fair Work Action Plan in 2014.
- Fair Work and the pandemic – applied Fair Work First criteria to business supports grants through Enterprise Agencies and the publication of a Fair Work Statement on expectations during the pandemic with support from the STUC, SCDI, IOD, SCVO and COSLA.

Following the presentations, a discussion took place covering pertinent issues such as Trades Union recognition, Green Ports and Fair Work and how this all sits with the Community Wealth Building Agenda.

### **UK Internal Market Act 2020: Subsidy Control Proposals – Discussion led by Professor Steve Fothergill**

Professor Steve Fothergill provided an overview of the current situation.

- The reality is that 40 years of EU Rules have gone. However, both the EU and the UK Government have signed up to a list of principles.
- There are dangers for Alliance areas in a State Aid regime based solely on WTO rules, which would in effect scrap the Assisted Area Map that has over many years given priority to supporting investment in less prosperous parts of the country.
- Making the system work – we will need to have our own UK set of rules; there will be the challenges of a 'subsidy race' between the 4 Nations of the UK. In the short term, the UK will operate almost as if State Aid Rules are still in place.
- Subsidy Control Proposals are now open to consultation with a 31<sup>st</sup> March 2021 deadline – key issues for our areas include what rules are we likely going to live under? What about adequate funding for our communities? How do we ensure that the places and people that need most support receive it?
- However, the most critical issue is the adoption of an Assisted Areas Map. A current concern is that the Scottish Government may be attracted to not having a map and preferring geographical flexibility. Currently half of the population in Scotland is covered by the previous Map.

- It was agreed that the Convener would write to Ivan McKee MSP and Minister to outline the advantages of an Assisted Area Map for our communities.

### **UK Community Renewal Fund and the Levelling Up Fund – discussion led by Malcolm Leitch, Glasgow City Council**

Malcolm Leitch led a detailed discussion on the two funds covering the following pertinent points.

#### **UK Community Renewal Fund**

- The purpose of the fund is to pilot programmes and new approaches ahead of the UK Shared Prosperity Fund. The fund is UK wide with a budget of £220m.
- The scope of the funding covers – Investment in Skills; Investment for local businesses; Investment in communities and place; and Supporting people into employment.
- Delivery model – lead authorities responsible for collating a local shortlist of projects to a maximum of £3m. It is a challenge fund with decisions being taken by UK Government Ministers.
- Spatial prioritisation – 100 priority places identified by the UK Government but bidding open to all parts of GB. Each of the priority areas will receive £20k towards the coordination/local assessment of bids. 13 Scottish Local Authorities have been identified as priority places.
- Timetable – the deadline for submissions to the UK Government is the 18<sup>th</sup> June 2021. From late July onwards the successful bidders will be announced with the fund ending on the 31<sup>st</sup> March 2022.

Discussion took place on the selection criteria of the areas and the matrix deployed by the UK Government.

#### **UK Levelling Up Fund**

- The purpose of the fund is to support investment in places where it can make the biggest difference to everyday life, including deprived towns and coastal communities. The duration of the fund is 4 years with an overall UK wide budget of £4.8bn – of which at least 9% to Scotland, 5% to Wales and 3% to Northern Ireland.
- The Scope of Funding – Transport Investments; Regeneration of Town Centre Investment; and Cultural Investment.
- Delivery Model – Local Authorities can submit one bid for every MP whose constituency lies wholly within their boundary. MPs, therefore, should be consulted. Maximum bid size is £20m (£50m for Transport Schemes) which can be either a single project or a coherent package.
- Timetable – the first- round deadline is the 18<sup>th</sup> June 2021.

Discussion focussed on the methodologies deployed for this funding round. It was hoped that this would be open to a future re-visit.

#### **AOCB**

There were no issues arising.

**Date of Next Meeting – Future Arrangements – Roddy MacDonald, Alliance Scotland Director**

Roddy MacDonald outlined the current position with respect to Cross-Party Groups. Namely, all the groups cease to exist at midnight on the 24<sup>th</sup> March 2021. All outstanding minutes will require to be submitted to the Parliamentary Authority before then. It was agreed that this minute would receive Convener approval as required to meet the deadline. Following the Scottish Election, the Cross-Party Group will require to re-register.

The Convener thanked all in attendance and those who made specific contributions today. He also thanked the Cross-Party Group for its work over the past years.