



Economy, Energy and Fair Work Committee

Sent by email only

The Scottish Parliament
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8 July 2020

Dear Convener,

COVID-19: Scottish Government's Advisory Group on Economic Recovery

The Economy, Energy and Fair Work Committee is continuing its work on the impact of COVID-19 on Scotland's economy and intends to consider the [report](#) of the Scottish Government's Advisory Group on Economic Recovery (AGER) as part of the next phase of its [inquiry](#).

As you may know, the report makes [recommendations](#) which relate to a number of different committee remits. I am writing to provide an update on the EEFW Committee's plans and to ask whether your Committee intends to carry out any work on areas covered by the report.

Your Committee may wish to note the following recommendations, which relate to your remit:

5.1 The Fiscal Framework (*Finance and Constitution Committee (FCC)*)

The UK and Scottish Governments should accelerate the review of the Fiscal Framework. It is vital that the overall funding approach is robust to address economic recovery and is resilient to future economic shocks.

5.8 Planning and regulation (*Local Government and Communities Committee*)

The Scottish Government, regulatory bodies and local authorities should review their key policy, planning and consenting frameworks, especially for key infrastructure investments such as marine renewables, to accelerate projects.

5.10 Digital Infrastructure (*Rural Economy Committee*)

The UK and Scottish Governments should mobilise investment in infrastructure, covering broadband and mobile networks, to build resilience and enhance exports.

5.12 Investment in natural capital (*ECCLR and Rural Economy Committees*)

The financial services sector and the Scottish Government should develop and promote nature-based investments to protect and enhance Scotland's

natural capital. This should include the development of financial solutions to fund forestry and other nature -based solutions, including agriculture, and should be accompanied by the development of a Scottish Natural Capital Census.

5.13 Tourism and hospitality (*Culture, Tourism and External Affairs (CTEA) Committee*)

The tourism and hospitality industries should work in partnership with the Scottish Government to develop a sustainable future strategy; the Scottish Government should consider a targeted reduction in business rates to support the sectors' recovery; and it should press the UK Government to consider a reduction in VAT.

5.14 Creative Sector (*CTEA Committee*)

Given the significant contribution of the arts, culture and creative industries to Scotland's economy and to our social capital, the Scottish Government should take steps to protect the sector; seek to increase public and private investment; and work to create a National Arts Force.

5.15 Care Sector (*Health and Sport Committee*)

The Scottish Government should accelerate its work on reforming adult social care; and should urgently review the structure, funding and regulation of the sector to ensure its sustainability and quality going forward. The review should address workforce issues, including the Fair Work Convention's 2019 report on the sector; and should recognise and support the contribution of unpaid carers.

5.16 The Third Sector (*Local Government and Communities Committee*)

The Scottish Government should take action to protect the capacity and financial sustainability of the third sector, in recognition of its important role in building and strengthening social capital. It should examine the scope for longer-term funding arrangements for services; more flexible and collaborative approaches to procurement; and new ways to incentivise private investment in the sector.

5.17 People, place and community (*Local Government and Communities Committee*)

The Scottish Government should support a renewed focus on place-based initiatives, building on lessons learned from initiatives on Community Wealth-Building. It should also accelerate investment in housing, in particular through the Scottish National Investment Bank.

5.18 Learning Loss (*Education and Skills Committee*)

The Scottish Government and local authorities should assess the impact of any learning loss and ensure that pupils are fully supported as schools return, in order to mitigate the risk of reduced educational attainment, particularly among disadvantaged groups.

The Scottish Parliament held a debate on the AGER Report and economic recovery on [23 June](#).

The Committee notes that the Scottish Government intends to respond to the report by the end of July. It would be helpful if you could outline whether your Committee intends to carry out any work in relation to the relevant recommendations in the report.

The EEFW Committee has issued a call for views in relation to its work on COVID-19, which includes questions on economic recovery and the AGER report. We also plan to take oral evidence on economic recovery later in the year.

I will provide a further update on this work in due course.

Kind regards,

A handwritten signature in black ink, appearing to read 'Michelle', with a large, sweeping flourish underneath.

Michelle Ballantyne MSP,
Convener

CC'd:

Culture, Tourism, Europe and External Affairs Committee

Education and Skills Committee

Finance and Constitution Committee

Health and Sport Committee

Local Government and Communities Committee

Rural Economy and Connectivity Committee