



## LOCAL GOVERNMENT AND COMMUNITIES COMMITTEE

### AGENDA

**27th Meeting, 2017 (Session 5)**

**Wednesday 15 November 2017**

The Committee will meet at 10.00 am in the James Clerk Maxwell Room (CR4).

1. **City region deals:** The Committee will take evidence from—
  - Patrick Wiggins, Director, Ayrshire Growth Deal;
  - Douglas Duff, Head of Economic Development and Environmental Services, Falkirk Council;
  - Phil Ford, Regional Skills Planning Lead, and Paul Zealey, Regional Skills Planning Lead, Skills Development Scotland.
2. **Scottish Housing Regulator Annual Report and Accounts 2016/17:** The Committee will take evidence from—
  - George Walker, Chair, and Michael Cameron, Chief Executive, Scottish Housing Regulator.
3. **Subordinate legislation:** The Committee will consider the following negative instrument—
  - The Town and Country Planning (Fees for Monitoring Surface Coal Mining Sites) (Scotland) Regulations 2017 (SSI 2017/350).
4. **City region deals (in private):** The Committee will consider the evidence heard earlier in the meeting.

**LGC/S5/17/27/A**

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The papers for this meeting are as follows—

**Agenda Item 1**

Note by the Clerk

LGC/S5/17/27/1

PRIVATE PAPER

LGC/S5/17/27/2  
(P)

**Agenda Item 2**

Note by the Clerk

LGC/S5/17/27/3

PRIVATE PAPER

LGC/S5/17/27/4  
(P)

[Scottish Housing Regulator Annual Report and Accounts  
2016/17](#)

**Agenda item 3**

Note by the Clerk

LGC/S5/17/27/5

**Local Government and Communities Committee**

**27th Meeting 2017 (Session 5), Wednesday 15 November 2017**

**City Region Deals: Note by the Clerk**

**Purpose**

1. This paper provides background information on the Committee's inquiry into city region deals.

**Background**

2. At its meeting on 22 March the Committee agreed that it wished to undertake an inquiry in City Region Deals. The remit agreed for the inquiry was:

*To explore rationale, prioritisation and value for money in relation to city region deals, including the progress to date of city region deals in delivering job creation and economic growth, and the structure and governance of city region deals in Scotland.*

3. On Tuesday 2 April the Committee launched its call for views with a deadline for responses of 2 May. A total of [39 written submissions were received and published](#). A [Scottish Parliament Information Centre \(SPICe\) summary of the written views](#) was undertaken and the results also published.
4. In addition the following briefings have been published on city region deals:
  - [Scottish Parliament Information Centre \(SPICe\) briefing on City Region Deals](#) (15 March 2017)
  - [Accounts Commission/Audit Scotland briefing paper – City Deals Overview](#) (May 2016)
  - [Scottish Parliament Information Centre \(SPICe\) Overview Update on City Region Deals](#) (1 November 2017)

**Local Government and Communities Committee Consideration**

5. Following receipt of the written submissions the Committee agreed the witnesses it wished to hear from at Committee meetings.
6. At its meeting on 1 November the Committee heard from the following:
  - Professor Duncan Maclennan, Policy Scotland, University of Glasgow;
  - Dr Peter O'Brien, Research Associate, Centre for Urban and Regional Development Studies, Newcastle University;
  - Lesley Warren, Policy and Public Affairs Officer, Coalition for Racial Equality and Rights;
  - Barry McCulloch, Senior Policy Adviser, Federation of Small Businesses;

- Chris Day, Policy Advisor, Transform Scotland.

[Link to papers for the meeting on 1 November 2017](#)

[Link to Official Report of meeting on 1 November 2017](#)

7. At its meeting on 8 November 2017 the Committee heard from the following:
- Cllr Susan Aitken, Chair, Glasgow City Region Cabinet and Leader of Glasgow City Council;
  - Kevin Rush, Director of Regional Economic Growth, Glasgow City Region Deal;
  - Cllr Adam McVey, Leader, City of Edinburgh Council, and Andrew Kerr, Chief Executive, City of Edinburgh Council, Edinburgh and South-East Scotland City Region Deal Partners;
  - Cllr Graham Ross, Depute Provost and Leader of Inverness and Area, and John Robertson, Programme Manager, City Region Deal, Highland Council;
  - Cllr David Ross, Co-Leader, Fife Council;
  - Cllr Jenny Laing, Co-Leader, and Richard Sweetnam, Head of Economic Development, Aberdeen City Council.

[Link to papers for the meeting on 8 November 2017](#)

[The Official Report of the meeting on 8 November will be available by 6.00 pm on Friday 10 November.](#)

8. At its meeting on 15 November the Committee will take evidence from the following:
- Ayrshire Growth Deals
  - Falkirk Council
  - Skills Development Scotland
9. Written submissions from the above are attached in Annexe A.

### **Fact Finding Visit**

10. On 6 November 2017 the Committee undertook a fact finding visit to Glasgow airport to learn more about the benefits and impact of the Glasgow Airport Investment Area and Glasgow Airport Access Projects which form part of the Glasgow City Region Deal. This was followed by an informal discussion with community groups and businesses.

### **Next Steps**

11. At its next meeting, on 22 November, the Committee will conclude evidence taking on City Region Deals by taking evidence from the UK Government and the Scottish Government.

## Written Submission from Ayrshire Growth Deal

The Local Government and Communities (LGC) Committee at the Scottish Parliament are seeking responses to its call for evidence on City Region Deals and local growth deals. Organisations and individuals are invited to submit written evidence to the Committee setting out their views on whether City Region Deals are on course to deliver local economic growth and major infrastructure projects in line with their original proposals.

The LGC Committee has asked that submissions address the following questions:

### **What is your understanding of the purpose of City Region Deals?**

There is no standardised approach to the description and agreement of city region/growth deals. Each deal is bespoke to the city region. City region/growth deals offer the potential for new collaborative regional partnerships.

City region/growth deals empower collaborations of local authorities, along with the private sector and wider public sector partners, to come up with unique proposals to enhance local and regional economic growth. To date, most deals have been tripartite in their nature; the UK Government, Scottish Government and comprising local authorities have been the key partners. Both Governments have pointed to the importance of private sector involvement in deals.

The focus in England has now advanced from city deals to 'Devolution Deals' that have developed powers to local areas, mainly in the areas of transport, business support and skills. However Manchester has recently been given control of the region's health and social care budget.

Deals in Scotland are being developed at a time when the Scottish Government is reviewing the role and responsibilities of its enterprise and skills agencies. 'Regional Partnerships' are an emerging part of this, however, any thinking that emerges from the ongoing review must be aligned to the regional working and decentralisation activities that are underway as part of city region/growth deals. Ayrshire has been identified as a Pathfinder for this work as part of the enterprise and skills review.

### **Are City Region Deals on track to deliver local growth, innovation and infrastructure schemes which would not have otherwise been delivered?**

It is too early to evaluate the wider strategic achievements and economic conditions of the current Scottish City Region Deals. The Glasgow City Region Deal was agreed in 2014 and was the first City Region Deal in Scotland. Agreed outputs and outcomes for City Region Deals will be assessed through a Gateway Review mechanism, with the first Gateway Review for the Glasgow City Region Deal commencing in 2019. This 2019 assessment will be based upon the early stages of economic evaluation work.

City region/growth deal projects can unlock private sector investment that would not occur without the public sector creating the conditions for growth. This is particularly true for regions like Ayrshire that have struggled to obtain investment following periods of industrial decline despite having key sectors such as aerospace and life sciences with the potential for growth.

City region/growth deals should comprise proposals that are collaborative, innovative, not 'business as usual' and produce a step change in regional productivity. Collaboration is a key element of deals and for deals to be successful in development as well as implementation, partners must show strong collaboration with the public sector, private sector and communities.

Given the need to ensure inclusive growth, all city region/growth deals should illustrate how they achieve this aim.

Ayrshire Growth Deal partners have agreed that inclusive growth should be a key cross-cutting priority of the Ayrshire Growth Deal. Successful economies are inclusive economies and tackling inequality will help ensure that the region is competitive in the global market and resilient to emerging trends and technologies in the economy.

The principle of inclusive growth runs right through our proposals for the AGD and will form a key component of business case development. Ayrshire's ambitious vision of the future will only be achieved if communities are better connected to the economy and have the opportunity to prosper.

**What is your understanding of the governance arrangements for City Region Deals, and how well are these arrangements working in practice?**

City region/growth deals should be matched by comprehensive monitoring and evaluation frameworks. Deals involve an element of risk for local authorities – many comprise of payment by results mechanisms – highlighting the importance of governance and monitoring arrangements.

It is encouraging that a Commission for Urban Growth was set up as part of the Glasgow City Deal to monitor progress. Independent evaluation will be critical to ensure deal partners meet stated aims, however, external conditions such as the UK's decision to leave the EU must be factored.

The Scottish Government must ensure there is additionality from the sum of the city deals and that there is coordination between the agreed and developing deals at the national level.

Both the Glasgow and Aberdeen City Region Deals are governed by Joint Committees. Glasgow's Joint Committee comprises the leaders of the eight councils involved, with a number of officer groups managing progress. The Joint Committee governing Aberdeen City's Deal is made up of three representatives from each of the administrations of Aberdeen City Council and Aberdeenshire Council, and the Board of Opportunity North East. The Inverness and Highland City Region Deal involves one Council area and appears to fit within Highland Council's current governance

structure. In Ayrshire governance arrangements for delivering the growth deal are evolving through the work on the enterprise and skills pathfinder work.

**Have local residents and businesses been kept informed and involved in the development and activities of City Region Deals?**

The Ayrshire Growth Deal has engaged businesses in the process of developing our proposals and has taken feedback from an early stage. A number of projects are made up of both public and private sector investment. The deal will ensure local people are able to take advantage of the growth opportunities produced. All projects have considered their linkages to inclusive growth.

The Ayrshire Growth Deal partnership comprises the three Ayrshire Councils working in partnership with the public and private sectors who represent key stakeholders in Ayrshire. The local knowledge of Ayrshire College, the University of the West of Scotland and the Ayrshire Chamber of Commerce has been combined with the national expertise of Scottish Enterprise, Skills Development Scotland, Scottish Futures Trust and Scottish Council for Development and Industry (SCDI).

**Are regions not covered by City Region Deals able to access equivalent funding and support for growth, innovation and infrastructure schemes?**

The lack of regional policy in Scotland has resulted in a mis-match of areas covered by city regional deals/growth deals. The upcoming departure from the EU provides a 'policy vacuum' for Scotland and the UK to consider a comprehensive regional policy, matched by adequate funding for those areas with most need, to replace that lost from the EU.

City region /growth deals have only been awarded in Scotland to date where a region incorporates a city. Scottish Government has highlighted that city region deals offer the potential for new collaborative regional partnerships.

Areas which are not part of city regions but offer significant growth opportunities, particularly around key sectors, that develop innovative proposals to accelerate regional growth should be given the same level of attention as city region deals have achieved.

In October 2016, proposals for the Ayrshire Growth Deal, covering the three Ayrshire authorities, were submitted to Scottish and UK Governments. An Ayrshire Growth Deal would provide the Ayrshire authorities and partners with the opportunity to focus on the major interventions which would significantly enhance the region's contribution to the Scottish and UK economies and drive up productivity across Ayrshire. Since submission of the Ayrshire Growth Deal Strategic Business Case, discussions with both Governments have commenced. In the case of the UK Government these discussions have focussed on the potential for Ayrshire projects to deliver local growth within the context of the emerging Industrial Strategy.

**Are City Regions Deals supporting a shift towards local decision-making on major investment projects?**



Yes. However, areas which are not part of city regions but offer significant growth opportunities, particularly around key sectors, that develop innovative proposals to accelerate regional growth should be given the same level of attention as city region deals have achieved.

As highlighted above, city region/growth deals should comprise proposals that are collaborative, innovative, not 'business as usual' and produce a step change in regional productivity.

The vision of the Ayrshire Growth Deal (AGD) is for Ayrshire to be ***a vibrant, outward looking, confident region, attractive to investors and visitors, making a major contribution to Scotland's growth and local well-being, and leading the implementation of digital technologies and the next generation of manufacturing.***

To achieve this Ayrshire will play a greater role in the regional, Scottish and UK economies. Ayrshire will be recognised for leading the successful implementation of key technologies in manufacturing sectors that are important to Scotland, for its world class digital and physical infrastructure and the quality of life it can provide. Our ambition is to see this happen through targeted investment, greater collaboration with the public sector stakeholders and partnership with the private sector.

In response to Phase 1 of the Scottish Government Enterprise and Skills Review, the three Ayrshire Councils confirmed that – building on the Ayrshire Growth Deal discussions – the three Councils are exploring the potential for a single Ayrshire agency that would increase shared service arrangements and help strengthen local economic development services. As part of the Ayrshire Growth Deal ongoing work, we will look at our capital and revenue programmes to identify how we can make investment alongside Government to unlock the potential of the Ayrshire economy.

As part of the Enterprise and Skills Review, the three Ayrshire local authorities have been invited by the Scottish Government to act as a 'Pathfinder' region. This will explore how regional partnerships can stimulate local economies and build inclusive growth while fostering improved innovation, internationalisation and investment across a region to maximise the collective impact on boosting competitiveness and tackling inequality at local, regional and national levels.

To inform this 'Pathfinder', we are taking an evidence based approach to determine the key priority constraints that need to be addressed to achieve inclusive growth and to raise productivity. An 'Inclusive Growth Diagnostic' which is currently being piloted in North Ayrshire is being rolled out across the whole region. Based on a methodology conceived by three Harvard Economists, diagnostics are increasingly used in developing countries to identify the main constraints to growth and prioritise spending actions to unlock them. The Diagnostic will help inform actions for addressing local priorities for achieving inclusive growth, regional priorities (things that can be tackled together on an Ayrshire wide basis) and actions which the Scottish Government should take to achieve inclusive growth across all of Scotland.

The AGD and its projects will be one of the key components in tackling the shared constraints which are identified. However, we will also explore ways to work together to more effectively tackle constraints and identify which services could be coordinated at a regional level to tackle inclusive growth.

**Any other issues relating to City Region Deals which you wish to bring to the attention of the Committee?**

In January 2017, the UK Government produced a Green Paper on an Industrial Strategy which, alongside a focus on key sectors, also places emphasis on the role of place in creating and spreading economic growth throughout the UK. In this context, the Ayrshire Growth Deal has been asked to demonstrate how it can contribute to the delivery of the Industrial Strategy and this will frame discussions with the UK Government. It is likely to be the case that further discussions with the UK Government on growth deals will have a strong emphasis on the Industrial Strategy.

Areas which are not part of city regions but offer significant growth opportunities, particularly around key sectors, that develop innovative proposals to accelerate regional growth should be given the same level of attention as city region deals have achieved.

The upcoming departure from the EU provides a 'policy vacuum' for Scotland and the UK to consider a comprehensive regional policy, matched by adequate funding for those areas with most need, to replace that lost from the EU.

## Written Submission from Falkirk Council

This submission is made on behalf of Falkirk Council. It should be noted that the submission has been prepared during the recess period called for the Local Government elections and as a result the Council has not had the opportunity to consider its response to this consultation formally. The comments supplied are in draft and have been drawn from:

- the submission made previously by the Council to the Enterprise and Skills review
- the Council's submission to the UK Industrial Strategy Green Paper
- reports agreed by the Council concerning the delivery of the Falkirk Tax Incremental Financing (TIF) initiative and Grangemouth Investment Zone

It is noted at the outset that the Council is not currently a participant in City Deal initiatives. As a consequence, several of the questions posed by the Committee are not relevant to the Council at this point.

Falkirk Council's area includes the Grangemouth chemicals and refinery complex and the Grangemouth Port. The Council considers these to be national assets, of importance to Scotland's future growth prospects. The potential for economic growth at this location is recognised amongst the National Developments in the National Planning Framework (NPF3), Grangemouth Investment Zone. The Council is pursuing a £67m Tax Incremental Financing (TIF) initiative, which aims to create and sustain c6,000 jobs, attract £580m of private sector investment and stimulate added GVA for Scotland's economy of £415m annually. However it seeks greater flexibility and extent of financial support than is currently available via TIF.

Work to progress the development of the Grangemouth Investment Zone is underway currently with the support of the Council, national agencies and the area's business community. The Council seeks recognition of the value of this initiative to the national economy and that this is recognised amongst the variety of area-based initiatives such as City Deals being progressed.

In the view of the Council, Scotland has an overly complex pattern of area-based support for growth with a range of city deals, growth accelerators, TIFs, task forces and enterprise area initiatives. It suggests that there is a need to sharpen the focus and intent of the approach to area-based economic development to ensure that such initiatives generate genuine and achievable economic benefit for Scotland.

There is also a need to avoid an over-emphasis on the role of cities in Scotland's economy. Considerable effort and support is being directed toward the promotion of Scotland's cities, whereas we would like to see support directed to those locations

where realistic and viable opportunities for economic growth exist and to where support is required to achieve positive outcomes.

The introduction of city deals and growth accelerator models has introduced an unnecessary degree of uncertainty and overlap amongst economic development networks in Scotland. In our view, the economy of Scotland relies on an intricate and extensive interplay of relationships between urban and rural, national and local, highland and lowland areas and measures to grow the economy should take advantage of each of these features.

Scotland has to muster support from across all of these to compete internationally and it is crucial to recognise the importance of key elements of economic infrastructure and activity out-with the cities. In the case of the Falkirk Council area, the combination of Scotland's largest port, refinery and petrochemicals complex at Grangemouth have a key role to play, not solely in the day-to-operation of Scotland's economy but in realising its fullest economic potential.

Scotland's system of economic development needs to include a mix of interventions and recognise that many of these are best delivered locally. Scotland has a diverse economy, meaning that a 'one size' approach is often inappropriate as it will often not meet local needs. A regional approach to growth must reflect the reality of economic geographies and the differences between areas. Local authorities are well placed to anticipate the need for collaboration and co-operate on numerous cross-boundary initiatives, where it is appropriate to do so. There is an appetite within local government to extend this approach. However, as reflected in the current Enterprise and Skills Review, there needs to be much greater clarity about respective roles and relationships to ensure maximum impact is achieved for public investment. The current lack of clarity has resulted in overlap and duplication, with scope for a more effective use of resources. Local authorities are uniquely placed to provide insights on localised circumstances and potential. A national framework is required that facilitates this local intelligence.

Falkirk Council also seeks to deliver inclusive growth tackling inequality of outcomes and opportunities within the labour market and recognising the importance of community and quality of place in delivering more equal outcomes. The Investment Zone proposal being developed by the Council and its partners is multi-dimensional and will address matters of social inclusion, well-being, participation and environmental outcomes, all as components of growth.

A strong national framework for growth is needed. Focus on city deals risks an over-reliance on the promotion of the economic prospects in urban areas to the detriment of the economy as a whole. We should acknowledge that very few of Scotland's cities have genuine metropolitan scale and that there is a need to galvanise the potential for growth across the country, capitalising on the significant opportunities

presented beyond cities. The Council considers that the economic growth potential in Falkirk and Grangemouth is equivalent to that of several proposed city deals and that it is important to help realise this opportunity. With potential investment of over £2bn in this area we believe it is important to consider equivalent support mechanisms of the city deals and growth accelerators available outside the seven cities.

During 2017 – the Falkirk Economic Partnership (the body formed to drive forward the area’s economic strategy) is preparing a business case for the implementation of a city deal/growth accelerator-type programme (Grangemouth Investment Zone) which will use the greater flexibility and scope of this type of programme to build on the success and potential of Falkirk’s existing TIF programme.

We would welcome further discussion through this consultation process and would offer to keep the Local Government and Communities Committee fully briefed on the progress of the Grangemouth Investment Zone business case development.

Falkirk Council  
Development Services  
2 May 2017

## **Written Submission from Skills Development Scotland**

### **Introduction**

We welcome the opportunity to provide evidence to members of the Local Government and Communities Committee on their enquiry into City Region Deals and local growth deals.

SDS is Scotland's skills body, focused on contributing to the delivery of the Scottish Government's Economic and Skills Strategies. SDS's key aims include the delivery of support to young people and small and medium sized businesses. SDS has a key role in both supporting people towards and into employment, and enabling individuals to progress within their jobs. SDS is working collaboratively with individuals, employers, training providers and partners throughout Scotland to raise aspirations and create a more skilled workforce, thus contributing to the Scottish Government's overarching purpose of increasing sustainable economic growth with opportunities for all to flourish.

### **The role of SDS**

As the national skills body for Scotland, we have a pivotal role in shaping the skills and education system. We place inclusive growth at the heart of service delivery, ensuring our work with employers, individuals and partners continues to contribute to achieving Scotland's long-term economic goals and to the delivery of the Scottish Government's economic and skills strategies.

This submission will focus on our observations on the extent to which skills feature in City Region Deals and local growth deals. It aims to highlight issues relating to skills and city and regional deals which will give the Committee a wider perspective of the challenges which should be addressed in the City Regional Deals and local growth deals process.

### **Regional Skills Planning and City Deals**

SDS had started its regional skills work before the advent of City Deals – but City Region deals have provided a coherent local partnership with whom to work. Since the introduction of City Deals, the focus for SDS has been to ensure skills play a prominent role in the planning process. We have worked together with partners to ensure that there is a focus on skills at the earliest stages of City Region Deals and local growth deals planning.

Building on the work in Aberdeen City and Shire, and to support the process of regional skills planning and the skills element of the emerging City Deals in other areas, SDS has appointed a team of Regional Skills Planning Leads (RSPLs) to

provide capacity in planning at regional level which has built upon the work of Regional Skills Assessments.

The aim of Regional Skills Assessments (RSAs) is to provide a coherent evidence base on which to formulate future investment in skills, built up from existing datasets. They highlight economic and labour market data, and for the first time offer trends and forecasts at both regional and local authority level. The data covered includes demand for skills, supply of people, provision of skills and skills challenges.

RSAs are developed and used by SDS and its partners including: Highlands and Islands Enterprise, Scottish Enterprise, the Scottish Funding Council and the Scottish Local Authorities Economic Development Group.

Early examples of progress include utilising RSAs to engage with partners to support City Region Deals and the development of Regional Skills Investment Plans include:

### **Glasgow and Clyde Valley City Deal**

Although primarily an infrastructure investment programme, three employability projects were included and a Skills and Employment Group was established as part of the governance process. SDS has worked with this group to develop a comprehensive Skills Investment Plan for the city region that builds upon both the City Deal and the wider economic development opportunities for the city region.

This Plan has been agreed by the all eight authorities' chief executives, and by political leaders through the City Deal Cabinet.

The model of using the City Deal structures has been adopted to develop and publish a regional economic strategy and action plan for Glasgow City Region, which is wholly complementary to the Skills Investment Plan for the City Region.

### **Edinburgh and South East Scotland City Region Deal**

The information in the current RSAs and in the data refresh has been utilised alongside economic modelling by Ernst and Young to inform the skills workstreams of the City Deal programme and the recent Regional Skills Investment Plan for Edinburgh and the South East of Scotland. We support local skills planning such as in Midlothian where a local skills plan is being developed. The RSPL is also involved in supporting skills action planning within West Lothian and Border Council.

There are seven City Region Deal skills proposals – Labour Market Intelligence; Online Skills and Talent Bank; Workforce mobility travel subsidy; Integrated Case Management (partner data sharing); Integrated Business and Client Support Services; Business Led Academies and Up-skilling; Developing the Young Workforce. In addition two Innovation projects will focus on the skills needs around

Data Driven Innovation and construction. SDS will support these proposals through our RSPLs and our wider team.

### **Tay Cities Region Deal**

This is likely to be a more modest proposal and our Regional Skills Planning Lead is providing support on inclusive growth element.

### **Inverness City Deal**

Under the skills and employability theme, SDS is involved in discussion with Rocket Science, which has been commissioned by Highland Council to review the current situation. A discussion is taking place around employability and skills issues across the local authority area and drawing on experiences from across Scotland and the UK. This helps to identify key features of good practice and high performance, linking both to the issues facing the area and listing key options for a new locally aligned, high performance service.

### **Stirling and Clackmannanshire City Deal**

SDS was not initially involved in the development of the initial Stirling and Clackmannanshire City Deal however, following submission, RSPL was invited to attend the first workshop in May 2016 to look at developing a skills workstream to support the proposed projects. This was facilitated by Forth Valley College and the output presented to the Stirling City Commissioners as a 'Skills Ambition'. As a follow up our RSPL and NSPL met with Stacey Burlett, Director of Communities, Children and Enterprise (and leading on the bid) at Stirling Council to discuss how we could effectively support the bid – particularly in terms of the evidence base through the refreshed RSAs. This engagement was welcomed and we will work to support Forth Valley College who will lead on the skills workstream as it develops. The RSA evidence was used to help shape the questions posed of employers at the Employer Skills Summit at Forth Valley College in March 2017.

Our RSPL has met with the Head of Economic Development and the Evidence Base team has provided some support to Clackmannanshire Council who are seeking to develop their projects within the Stirling and Clackmannanshire City Deal. Our RSPL and Key Sector Manager for Food and Drink have participated in two development workshops and ongoing support has been offered around the skills evidence base.

### **Falkirk Investment Zone**

The RSPL attended a workshop to outline the proposals for a Falkirk Investment Zone. Following agreement of the local Economic partnership to pursue this



approach the RSPL has been invited to meet with Douglas Duff, Head of Economic Development at Falkirk Council to help to support skills development within the context of the proposal as it develops. Support has also been offered through the Key Sector Managers in Chemical and Life Sciences, Energy and Tourism, all areas which are central to the bid.

### **Ayrshire Growth Deal**

Our Director for Enterprise and Industry Networks and the RSPL, have been heavily engaged with the development process of the Ayrshire Growth Deal (AGD), which started in December 2016, from the outset. This has included, at the programme level, attendance at Steering Group meetings and the PMO, but also providing both data and expertise from our RSPL and Key Sector Managers to support the development of the individual projects requiring a skills input. We envisage that a regional Skills Plan will be developed with partners in due course.

### **Conclusion**

We hope that this provides a helpful contribution to the Committee's discussion and look forward to following the proceedings of this important inquiry.

Skills Development Scotland  
May 2017

**Local Government and Communities Committee**

**27th Meeting (Session 5), Wednesday 15 November 2017**

**Scottish Housing Regulator**

**Purpose**

1. This paper provides background information in advance of the Committee's evidence session with the Scottish Housing Regulator (SHR).

**Background**

2. The SHR is an independent Non-Ministerial Department, established on 1 April 2011 under the Housing (Scotland) Act 2010 ('the Act'). Its statutory objective is to safeguard and promote the interests of current and future tenants, homeless people and other people who use services provided by social landlords.<sup>1</sup>
3. The main functions of the SHR are to:
  - keep a publicly available register of social landlords.
  - monitor, assess and regularly report on all social landlords' performance of housing activities and on registered social landlords' financial well-being and standards of governance.
4. The SHR regulates 160 registered social landlords (RSLs) and the housing activities of Scotland's 32 local authorities. The Act requires that the SHR carries out its functions in a proportionate, accountable and transparent way.

**Annual Report**

5. The SHR is required to report annually on how the office performs its functions. The Annual Report and Accounts 2016/17 was published on 2 October 2017 and can be accessed here:

<https://www.scottishhousingregulator.gov.uk/news/housing-regulator-publishes-its-annual-report-201617>

**Next Steps**

6. The Local Government and Communities Committee will take evidence from the Scottish Housing Regulator on its annual report and accounts at its meeting on 15 November 2017.

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<sup>1</sup> As specified at section 2(1) of the Act

**Local Government and Communities Committee**

**27th Meeting, 2017 (Session 5), Wednesday 15 November 2017**

**Subordinate Legislation**

**Overview of instruments**

1. The following instrument, subject to negative procedure, is being considered at agenda item 3 at today's meeting:
  - The Town and Country Planning (Fees for Monitoring Surface Coal Mining Sites) (Scotland) Regulations 2017 (SSI 2017/350).

**Procedure**

2. Negative instruments are instruments that are "subject to annulment" by resolution of the Parliament for a period of 40 days after they are laid. All negative instruments are considered by the Delegated Powers and Law Reform Committee (on various technical grounds) and by the relevant lead committee (on policy grounds). Under Rule 10.4, any member (whether or not a member of the lead committee) may, within the 40-day period, lodge a motion for consideration by the lead committee recommending annulment of the instrument. If the motion is agreed to, the Parliamentary Bureau must then lodge a motion to annul the instrument for consideration by the Parliament.
3. If that is also agreed to, Scottish Ministers must revoke the instrument. Each negative instrument appears on a committee agenda at the first opportunity after the Delegated Powers and Law Reform Committee has reported on it. This means that, if questions are asked or concerns raised, consideration of the instrument can usually be continued to a later meeting to allow correspondence to be entered into or a Minister or officials invited to give evidence. In other cases, the Committee may be content simply to note the instrument and agree to make no recommendation on it.

**Background**

**The Town and Country Planning (Fees for Monitoring Surface Coal Mining Sites) (Scotland) Regulations 2017 (SSI 2017/350)**

4. These Regulations provide for fees to be paid to planning authorities in relation to site visits made for the purpose of monitoring compliance with surface coal mineral permissions. The policy note for this instrument is attached at **Annexe A**.
5. An electronic copy of the instrument is available at:

<http://www.legislation.gov.uk/ssi/2017/350/introduction/made>

6. A Business and Regulatory Impact Assessment is available at:

[http://www.legislation.gov.uk/ssi/2017/350/pdfs/ssifia\\_20170350\\_en.pdf](http://www.legislation.gov.uk/ssi/2017/350/pdfs/ssifia_20170350_en.pdf)

### **Delegated Powers and Law Reform Committee Consideration**

7. The Delegated Powers and Law Reform (DPLR) Committee considered this instrument at its meeting on 8 November 2017 and determined it did not need to draw the attention of the Parliament on any grounds within its remit.

### **Committee Consideration**

8. The Committee is **not required** to report on negative instruments, but should it wish to do so, the deadline for reporting on the instrument is **4 December 2017**.
9. **The Committee is invited to consider the above instrument and whether it wishes to report on any issues to the Parliament in relation to it.**

**POLICY NOTE****The Town and Country Planning (Fees for Monitoring Surface Coal Mining Sites) (Scotland) Regulations 2017****SSI 2017/350**

The above instrument was made in exercise of the powers conferred by section 252 of the Town and Country Planning (Scotland) Act 1997. The instrument is subject to negative procedure.

**Policy Objectives**

The Regulations introduce a fee payable to planning authorities for making site visits for the purpose of monitoring active and in-active surface coal mines in Scotland.

**Consultation**

A full 12 week public consultation was undertaken between January and April 2017. Although there was a limited response to the consultation, industry, planning authorities and the public were all represented and comments received helped to inform the final statutory instrument.

Overall there was general support for the introduction of the SSI and for the introduction of a fee, although the frequency of visits to in-active sites has been altered as a result of the consultation process. The draft SSI attached to the consultation document provided that a fee was only chargeable in respect of one visit to an in-active site in any 12 month period but this has now altered to allow fees to be charged for up to eight visits in the same period. This is the same as active sites and reflects some concern from planning authorities about the original limit. The Scottish Governments response to the consultation has been published.

**Impact Assessments**

As there were no privacy, equality or children impacts from the SSI, which introduces a monitoring fee for surface coal mines, no impacts assessments were required in the circumstances. A Strategic Environmental Assessment (SEA) pre-screening, indicating there are no direct environmental effects from the SSI has been completed and submitted to the SEA Gateway.

**Financial Effects**

A final Business and Regulatory Impact Assessment (BRIA) has been completed and is attached. The impact of this SSI on business is limited to a small sector operating or owning surface coal mines. The fee payable for a site visit is £500 for an active site and £250 for an in-active site, with a maximum number of 8 visits being chargeable in a 12 month period. However, planning authorities can operate flexibly and may opt to visit good operators less often, thereby reducing costs to the operator and rewarding good practice.

Scottish Government  
Local Government and Communities Directorate  
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