



**Note of the Scottish Cities Alliance Leadership Group meeting
Tuesday 17th June 2014
Edinburgh**

Attendance

Cllr Jennifer Laing	Leader, Aberdeen City Council
Angela Scott	Chief Executive, Aberdeen City Council
Mike Galloway	Director of City Development, Dundee City Council
Cllr Andrew Burns	Leader, City of Edinburgh Council
Greg Ward	Director of Economic Development, City of Edinburgh Council
Cllr Stephen Curran	Glasgow City Council
Kevin Rush	Head of Economic Development, Glasgow City Council
Cllr Drew Hendry	Leader, Highland Council
Steve Barron	Chief Executive, Highland Council
Cllr John Kellas	Perth and Kinross Council
David Littlejohn	Head of Planning and Regeneration, Perth and Kinross Council
Cllr Johanna Boyd	Leader, Stirling Council
Nicola Sturgeon MSP	Deputy First Minister and Cabinet Secretary for Infrastructure, Investment and Cities
Oonagh Gil	Head of Enterprise and Cities Division, Scottish Government
Prof Lesley Sawers	Chair, Scottish Cities Alliance

Also in attendance

Alison Muckersie	Senior Manager, Economic Development, City of Edinburgh Council
Dr Morag Watt	Cities Team Leader, Scottish Government
Sharon Miller	Cities Team, Scottish Government
Beth Elliot	Private Secretary to the Deputy First Minister and Cabinet Secretary for Infrastructure, Investment and Cities, Scottish Government
Ross Martin	Chief Executive, SCDI
Stewart Carruth	Strategic Director, Scottish Cities Alliance, SCDI
Iain McCreaddie	Policy Executive, Scottish Cities Alliance, SCDI

KPMG

Jenny Stewart	Partner, Head of Infrastructure and Government, Scotland
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Apologies

Cllr Ken Guild	Leader, Dundee City Council
David Dorward	Chief Executive, Dundee City Council
Sue Bruce	Chief Executive, City of Edinburgh Council
Cllr Gordon Matheson	Leader, Glasgow City Council
George Black	Chief Executive, Glasgow City Council
Cllr Ian Miller	Leader, Perth & Kinross Council
Bernadette Malone	Chief Executive, Perth and Kinross Council
Bob Jack	Chief Executive, Stirling Council

Note of meeting

1. Welcome, Introduction and Apologies

The Chair welcomed Cllr Jennifer Laing and Angela Scott to their first meeting and tabled apologies as noted above.

2. Note of previous meeting and matters arising

The note of the previous meeting (2 April 2014) was agreed and will now be published.

2. a. PwC Report – amendment

Stewart Carruth noted a small amendment to figures contained in the PwC report and City Investment Plans tabled at the Leadership Group meeting on 2nd April 2014. The plans published on the website include the updated figures.

3. Strategic Infrastructure Funds

Stewart Carruth outlined progress with the Attracting Investment workstream. This built on the recommendations agreed at the Leadership Group meeting on 2nd April 2014 and was informed by the report produced by KPMG on strategic infrastructure funds. Stewart asked the Leaders to consider a set of five key recommendations aimed at providing the cities with a menu of options for effective investment planning over the short, medium and long term. All five recommendations were agreed as follows:-

Short to Medium Term Approach – City Investment Plans

Recommendation 1 –that the cities continue to develop proposals to deliver the content of their City Investment Plans, working with the Alliance to identify opportunities for collaborative approaches to project assembly and finance;

Recommendation 2 –that the Scottish Government work with the cities to develop the innovative payment by results Regeneration Accelerator Model used to help fund the St. James' Quarter investment in Edinburgh and to aim to make this more widely available to help deliver other appropriate investments within the City Investment Plans;

Medium to Longer Term Approach – Strategic Infrastructure Funds

Recommendation 3 –that the cities will pursue with their regions the appropriateness of creating strategic infrastructure funds for longer term investment in economic infrastructure;

Recommendation 4 –that economic impact (GVA return for each £ of public sector investment) at the regional level should be used as the primary method for prioritising the use of strategic infrastructure investment funds; and

Recommendation 5 –that, where required, cities and their regions can identify appropriate secondary prioritisation metrics to ensure that the economic impact of investments also deliver further outcomes. For example, a broader social spread of employment opportunities or reduced carbon emissions.

Strategic Infrastructure Funds (continued)

In addition, the following points were made in discussion:-

- Further to recommendation 2, the Deputy First Minister confirmed the Scottish Government's willingness to open up the St James' Quarter approach to other cities and their regions. She highlighted that the approach was outcomes-based with risk sharing across the public and private sectors and payment by results. In opening up the applicability of the approach, she noted that it would now be called the Growth Accelerator Model and she hoped that more projects would come forward to use this new funding method. She also advised that there was some £250 million in discounted PWLB loans available at the moment for Scotland and that the Scottish Government would be issuing criteria for these shortly.
- Cllr Hendry advised that Inverness was interested in the applicability of the Growth Accelerator Model for taking forward their investment priorities and, further to recommendation 3, noted that not all cities would go on to develop Strategic Infrastructure Funds with their region.
- Cllr Burns advised that it would be helpful for the Alliance to play a significant role in disseminating information on what is going on in different cities and their regions to help keep cities on top of best practice from elsewhere.
- Mike Galloway recommended that cities continue to engage with the private sector as they move from their current City Investment Plans to growth strategies and Investment Plans.
- Cllr Kellas noted that it would be important for cities to continue to welcome ideas from the private sector in supporting the delivery of their City Investment Plans.

Stewart Carruth thanked the cities, Scottish Government and KPMG for their contribution to developing the report and the Leaders for their approval of the recommendations which will allow cities and agencies to consider different approaches to infrastructure funds.

4. Alliance Operational Plan

Stewart Carruth spoke to a paper outlining an operational plan for the Alliance which builds upon the Strategic Implementation Plan and focuses the work programme with attracting investment and economic growth as the central narrative. The Leaders approved the operational plan and agreed to extend the operational budget of the Alliance to March 2017 in recognition of the timescales involved for delivery of the three programmes of work outlined; Infrastructure; Low Carbon and Smart Cities.

5. AOB

Cllr Curran advised the group that Glasgow was feeling very positive about its city deal proposal and that a response from the UK Government was anticipated in the coming weeks.

The Chair advised that the next Leadership Group meeting would take place on 29th October 2014 and that the Alliance would be in touch to confirm arrangements shortly.

In closing the meeting, the Chair confirmed the commitment of the Alliance team to meet with all the Leaders individually, in advance of the next Leadership meeting in October, to discuss future governance and operational management arrangements.

The meeting closed at 14.15pm