



**Note of the Scottish Cities Alliance Leadership Group meeting
Wednesday 18th November 2020 – 10.15 – 12.15 pm – virtual online meeting**

Attendance :

Cllr Jennifer Laing	Co-Leader, Aberdeen City Council
Angela Scott	Chief Executive, Aberdeen City Council
Cllr John Alexander	Leader, Dundee City Council (Chair)
David Martin	Chief Executive, Dundee City Council
Cllr Adam McVey	Leader, City of Edinburgh Council
Cllr Susan Aitken	Leader, Glasgow City Council
Annemarie O'Donnell	Chief Executive, Glasgow City Council
Cllr Margaret Davidson	Leader, Highland Council
Donna Manson	Chief Executive, Highland Council
Cllr Murray Lyle	Leader, Perth and Kinross Council
Cllr Scott Farmer	Leader, Stirling Council
Carol Beattie	Chief Executive, Stirling Council
Michael Matheson MSP	Cabinet Secretary for Transport, Infrastructure and Connectivity (items 1-3)
Iain McCreaddie	Programme Director, Scottish Cities Alliance

Also in attendance :

Will Dowson	Agent for Scotland, Bank of England (items 1-3)
Cameron Park	Investment Manager, M&G Investors (item 6)
Peter Manners-Smith	Fund Manager, M&G Investors (item 6)
Anisah Ijaz	Private Secretary to Cabinet Secretary (items 1-3)
Jenny Bann	Scottish Government
Andrew Robinson	Scottish Government
Manisha Gulati	Economist
Lillian McDowall	Scottish Cities Alliance
Amy Groden	Scottish Cities Alliance
Veni Kojouharova	Scottish Cities Alliance
Isabel Brennan	Scottish Cities Alliance

Apologies received from :

Andrew Kerr	Chief Executive, City of Edinburgh Council
Karen Reid	Chief Executive, Perth and Kinross Council
Jon Pickstone	Scottish Government

1. Welcome, Introduction & Apologies

The Chair welcomed the group and noted apologies as detailed above

2. Note of Previous Meeting – 9th September 2020

The note of the previous meeting was approved and an update was given as follows :

Item 6 – Following his presentation, individual introductions have now been made with Mark Wells from Aviva for all cities who requested a follow up discussion.

Item 7 – Following his presentation, introductions have been made for the cities to Ummar Hanif, Real Estate Specialist at the Department for International Trade.

3. Funding Cities Transition to Net Zero Carbon

The Chair welcomed Will Dowson, Agent for Scotland at the Bank of England who spoke to the group about the financing challenge for net zero transition including the role of the private sector; how the cities might best collaborate and work with government to attract investment in a pipeline of projects of scale and how the risks can be managed and mitigated to enhance private sector investment. Overall, Will's key message was to attract private investment wherever possible the cities should collaborate and align targets and monitoring of climate related investment; harmonising this data with Scottish and UK Governments objectives would be of further benefit.

Michael Matheson, Cabinet Secretary for Transport, Infrastructure and Connectivity thanked Will for his guidance noting that the pace of change in this sector has been greater in the last year than the preceding three years and the need to build on this momentum by ensuring businesses have a clear understanding on what they are looking to invest in and the potential from that type of investment. The Cabinet Secretary stressed the need for Scotland to ensure that businesses not only achieve net zero but also build on the economic opportunities that come from it by leading the way in the manufacture and development of new technologies. Reference was made to an example of how the Scottish National Investment Bank has supported businesses to fund this type of activity and that going forward a triple helix approach of public-private-academia was key to unlocking the scale of investment needed.

In discussion the following points were raised: the opportunity for the Heat Networks Scotland Bill to provide clarity to cities and support the wider roll out of district heating networks; the challenges cities face in coordinating the range of stakeholders involved in freight distribution and the future role of regional distribution centres; the purchasing powers of cities and their attractiveness to private funders; utilising city deal money to prepare the ground for private sector investment in the knowledge that there has been a change in appetite to risk by the private sector to invest in green technology, recognition of the desire to explore fiscal and functional levers which might assist cities to fund transition activity; the importance of streamlining planning regulations to allow cities to prioritise and fast track essential transition projects. A fundamental issue recognised by all was the need to progress discussions with the regulators around how their remit might be expanded to include regulation at a regional level which reflects the 2045 net zero carbon target. Will Dowson noted the point regarding the regulators and offered to raise this with key contacts on behalf of the Alliance.

The Chair thanked Will Dowson and Michael Matheson for their contribution and noted the value in continuing the dialogue further.

4. Scottish Cities Outlook – Update

The Chair invited Angela Scott to speak to the update on the Scottish Cities Outlook report tabled which included a co-designed Action Plan by cities, government and agencies detailing their collaborative response to the Transition to Net Zero Carbon challenge detailed in the report. Angela thanked the Scottish Government and the cities for working collaboratively with the national agencies to produce the codesigned action plans and reflected on the unique approach that was undertaken to develop them.

Reflecting on points raised in the previous discussion, Angela noted the Cabinet Secretary's advice about the importance of the triple helix approach and agreed to explore this further with the Scottish Government and the Scottish Funding Council as part of developing an investment and funding strategy to support delivery of the Transition to Net Zero Carbon Action Plan over the next period. In addition she acknowledged that despite each of the cities being at a different stage of their journey towards net zero, private investment might be attracted by the scale of collaboration between the seven cities evidenced in the Action Plan and advised that she would look to ensure the future funding strategy capitalised on this.

The group approved the Transition to Net Zero Carbon Action Plan for publication on the Alliance's website as part of the Alliance's response to the Scottish Cities Outlook report noting that work would continue to develop an Alliance response to the remaining challenges in the Outlook in advance of the next meeting. The Chair thanked Angela for her support in leading this work to date and encouraged the Leaders to get behind the Alliance Team in supporting the delivery of priority activity in the Action Plan.

5. Maximising Opportunities for Scotland from COP-26

The Chair introduced Veni Kojouharova, the Alliance's Policy Officer, who provided an update on progress with creating a co-designed programme of activity in the lead up to COP26 taking place in Glasgow in November 2021. The group welcomed the proposals detailed in the paper which focused on supporting existing event activity across the cities as well as the Scottish and UK Government and developing relationships with existing international connections across the Alliance partners. It was agreed that the Leadership Group meetings over the course of the next year should provide an important vehicle for developing key relationships for the partners in the lead up to COP26 culminating in a special meeting as part of the Glasgow Green Zone in the City Chambers during the event itself. Opportunities for the cities to respond collectively to broader national policy announcements on transition to net zero outlining what they mean for cities at a local level were also noted.

The Chair welcomed the presentation and encouraged the group to direct any further feedback to the Alliance Core Team with whom they should maintain an ongoing dialogue in the lead up to COP26.

6. M&G Investors

The Chair welcomed Cameron Park, Investment Manager and Peter Manners-Smith, Fund Manager from M&G to speak to the meeting. A presentation was delivered showcasing how regeneration projects can be funded by third party capital together with local authorities and developers and provided particular examples of their work in regeneration and placemaking.

The Chair thanked Cameron and Peter for their presentation and advised the group that the Alliance Team would facilitate individual introductions for cities following the meeting.

7. Directors Report

The Chair invited the Programme Director to provide an update on the Operational Programme 2018-2022 and the following points were note:-

- The Alliance's website is currently being refreshed and is due to be launched by the end of 2020 providing a unique platform for attracting investment into the cities.
- The Alliance's former Hydrogen Project Manager Fiona Landy recently received an award from the sector in recognition of the support she has provided the cities in building the hydrogen economy in Scotland. The Programme Director advised that although Fiona is now based within the Hydrogen Accelerator the Alliance continues to work closely with her on fostering partnerships between the cities and government with industry and noted the support provided to Cllr Davidson over recent weeks as an example.
- The Alliance held its first of 3 investment webinars at the start of November. The 'Green Cities' webinar was attended by over 200 investor contacts and involved Cllr Laing, Cllr Alexander and Cllr Lyle. The next event in the series will take place on 8th December focusing 'Thinking Cities' involving Cllr Aitken and Cllr Farmer followed by a 'Healthy Cities' webinar in early 2021 featuring Cllr McVey and Cllr Davidson.
- The Operational Budget 2018-2022 is now due to conclude in March 2022 with a positive balance of £36,840 available with no anticipated overspend as a result of further savings achieved from the Hydrogen Project Manager moving to the Hydrogen Accelerator.

Finally, the Programme Director spoke to the CIF budget tabled to 30th June 2020 and the group approved the budget for publication on the Alliance website.

8. AOB

Jenny Bann, provided an update on the Scottish Government's work with the cities together with the Alliance to support Christmas retail. She thanked the cities for their engagement with the Scottish Government on the issues around the impact of the current restrictions during the Christmas period and noted that work on long term strategies surrounding retail will continue.

The Chair noted that this is David Martin's final Leadership Group meeting before his retirement and on behalf of the Alliance thanked him for his work and his support for the Alliance as Chair of the CEO Group. The group thanked David Martin and wished him well in his retirement.

9. Dates of Future Meetings

- **Wed 10th March 2021** – MS Teams. It was noted that the Cabinet Secretary for Finance Kate Forbes will attend this meeting.

The Chair thanked everyone for their attendance. The meeting finished at 12.10 pm.

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