



## **Note of the Scottish Cities Alliance Leadership Group meeting**

**Wednesday 9<sup>th</sup> October 2024 – 2.00 – 4.00 pm**

**Committee Room 1, Dundee City Council, City Chambers, 14 City Square, Dundee, DD1 3BG (in-person)**

### **Attendees :**

Councillor Ian Yuill	Co-Leader, Aberdeen City Council
Jim Johnstone	Aberdeen City Council
Cllr Mark Flynn	Leader, Dundee City Council
Greg Colgan	Chief Executive Dundee City Council
Cllr Cammy Day	Leader, The City of Edinburgh Council – Co-Chair
Paul Lawrence	Chief Executive, The City of Edinburgh Council
Cllr David Ross	Leader, Fife Council - Dunfermline
Ken Gourlay	Chief Executive, Fife Council - Dunfermline
Cllr Susan Aitken	Leader, Glasgow City Glasgow
Susanne Millar	Chief Executive, Glasgow City Council - online
Cllr Raymond Bremner	Leader, Highland Council - Inverness
Allan Maguire	Highland Council – Inverness
Cllr Grant Laing (Chair)	Leader, Perth & Kinross Council – Co-Chair
Thomas Glen	Chief Executive, Perth & Kinross Council
Cllr Gerry McGarvey	Deputy Leader, Stirling Council
Caroline Sinclair	Chief Executive, Stirling Council
Tom Arthur MSP	Minister for Employment and Investment, Scottish Government - online (item 1-4)
Nadia Abu-Hussain	Regional Economic Development, Scottish Government (online)
Dr Gary Gillespie	Chief Economist, Scottish Government
Josh Hampson	Fraser of Allander – online (item 1-4)
Sanjam Suri	Fraser of Allander – online (item 1-4)
Mairi Spowage	Fraser of Allander – online (item 1-4)
Iain McCreaddie	Programme Director, Scottish Cities Alliance
Lauren Pascu	Investment Lead, Scottish Cities Alliance
Gillian McCallum	Policy & Stakeholder Engagement Lead, Scottish Cities Alliance
Eve Jones	Project Officer, Scottish Cities Alliance
Isabel Brennan	Admin & Finance Officer, Scottish Cities Alliance

### **Apologies :**

Angela Scott	Chief Executive, Aberdeen City Council
Derek Brown	Chief Executive, Highland Council - Inverness
Cllr Margaret Brisley	Leader, Stirling Council

### **Agenda**

#### **1. Welcome, Introduction & Apologies**

The Programme Director welcomed the group to the meeting and apologies were noted as detailed above.

A special welcome was given to Cllr Mark Flynn as the new Leader of Dundee City Council to his first Leadership Group meeting as well as Cllr Gerry McGarvey, Deputy Leader of Stirling Council, representing Cllr Margaret Brisley, the new Leader of Stirling Council.

It was noted that Tom Arthur MSP will join the meeting remotely from 14.30 due to parliamentary business and that the Fraser of Allander Institute will also be in attendance for agenda item 4 as the overview from the Scottish Government's chief economist and subsequent discussion will help inform work they are progressing for the Alliance to update the policy analysis in the Scottish Cities Outlook report.

It was also noted that a photographer will be in attendance at the start of the meeting taking pictures of the Leadership Group discussion for use in updated collateral for the Alliance website.

## **2. Confirm Appointment of Co-Chairs**

The Programme Director asked the group to formally confirm the appointment of Cllr Grant Laing, Perth and Cllr Cammy Day, Edinburgh as co-chairs of the Alliance following Cllr Alexander stepping down as the Leader of Dundee and Chair of the Alliance at the end of August. The group formally confirmed the appointment of both Councillors as Co-Chairs noting that the intention was for the Co-Chairs to share the chairing responsibilities including rotating the Chair of the Leadership Group meetings going forward, beginning today with Cllr Laing.

Both Cllrs addressed the group, welcoming the agreement of the Co-Chair approach which would enable the partnership to continue to take forward the work of the Alliance in a collegiate and productive way.

Both Co-Chairs asked the Leadership Group to acknowledge for the record the excellent work and commitment by the previous Chair, Cllr John Alexander, from September 2017 until August 2024 and the group expressed their appreciation and wished him well.

Cllr Laing took over chairing responsibilities for the remainder of the meeting.

## **3. Note of Previous Meeting (7<sup>th</sup> June 2024)**

The note of the previous meeting was approved and an update on items not covered elsewhere on the agenda was given as follows:-

- **Item 3 – City Centre Living** - following the discussion with CBRE and Key Cities on public private partnership approaches in England, the Alliance supported officers from the cities and Scottish Government to attend a round table discussion hosted by CBRE, More Homes and Muse at the end of September.

Further discussion on the housing challenge also took place at the CEO Group meeting with the Director Generals for Economy and Communities as well as a Deputy Director for Net Zero. The Alliance has since developed an outline proposal seeking to establish a new programme of coordinated delivery overseen by the Alliance partners focused on the attraction of private investment to support the regeneration of Scotland's cities including the attraction of private investment to unlock regeneration across Scotland's 8 cities through housing of all tenures. The Alliance is currently working closely with the cities, Scottish Government and Scottish Futures Trust to further refine this programme and an update will be given to the CEO Group at their meeting on 1<sup>st</sup> November.

- **Meetings with Minister – Tom Arthur MSP** - following the Minister extending an offer to meet with each of the city Leaders in person at the last meeting, it was noted that the Alliance is working closely with the Scottish Government to schedule these meetings in the Minister's diary and that Dunfermline's meeting has taken place. Mr. Arthur apologised for the need to cancel some meetings and confirmed that he will visit all city Leaders in due course.

## **4. Gary Gillespie, Chief Economic Advisor, Scottish Government**

Gary Gillespie delivered an economic overview of the performance of the Scottish economy including factors continuing to drive change and influence the path of recovery and growth following a number of recent economic shocks. The presentation focused on growth, the labour market and inward investment, highlighting the important role cities and their universities can play as drivers of growth.

The Chair thanked Gary for his informative presentation and asked the Alliance team to follow up on an offer extended by Gary to share relevant briefing information on a regular basis. It was agreed as an initial step that the Alliance team should be added to the circulation list for relevant monthly and quarterly reports produced by the Scottish Government to assist with wider dissemination.

In discussion, the following points were raised and discussed by the group:-

- Cllr Ross asked whether the chart referenced in the presentation on retail included online shopping and it was confirmed that it did include online retail, highlighting online retail's growth since Covid. Gary offered to share further detail on how this impacts on city centre retail sales post meeting.
- Cllr Day asked why there was a dip in real terms growth in 2024 (slide 9). Gary confirmed that this was to the timing of the pay settlements (inflation rate came down) and that overall, above zero growth is positive.
- Cllr Aitken noted that the presentation suggested that in terms of inward investment Scotland was performing well in FDI terms but that overall business investment remains weak. She asked if business investment related to businesses investing in their own growth or businesses investing into other businesses rather than more traditional real estate investment. Gary advised that business investment in general is low in Scotland and in the UK as a whole by international standards. Inward investment would come into Scotland as part of business investment so that would be a component, but the real issue is low business investment. Business investment is influenced by a range of factors including confidence and could be influenced by improved support for growing businesses. Cllr Aitken thanked Gary for his response and noted that Glasgow was giving a lot of consideration to innovation investment in growing existing sectors and having really strong propositions to support that.

Tied to points raised in the economic overview which highlighted that Scotland was the top performing area of the UK for FDI outside London, the Chair took the opportunity to raise with the minister concerns shared by the cities around the parity of representation for local leaders of Scotland's cities at the UK Government's forthcoming Council of Nations and Regions and International Investment Summit events as has been afforded to local leadership in England. The city Leaders were concerned that the exclusion of local leaders from Scotland's cities at the International Investment Summit could place Scotland's cities at an explicit commercial disadvantage to their city peers in England.

Mr. Arthur advised that while he respected that the forum is a UK Govt convened initiative, he agreed that partnership working is extremely important, and that Scottish Government want to work very closely with the UK Government across a range of shared interests, highlighting that this Leadership Group meeting and the decade-plus of the Alliance is testament to the value placed on partnership working between Scottish Government and the cities. He agreed that it is beneficial for Scotland, and indeed for the whole of the UK, for Scottish cities to participate and be a part of these forums and that he certainly will be communicating at an official level the importance the Scottish Government places on ensuring that Scotland's cities are fully included in that process.

City Leaders welcomed the Ministers support for communicating this message to the UK Government directly. On a separate but connected point, Cllr Day raised his interest in progressing discussions with the UK Government and Scottish Government via the Alliance with the Minister on a new approach to regional devolution. Mr Arthur advised that the Scottish Government remains focused on working with the cities to support shared objectives and priorities and that if the means to achieve those is through the further devolution of some powers to local government, then that is something he is happy to discuss with cities as well as the UK Government.

It was agreed that the Alliance should aim to send a letter on behalf of the Alliance partners to the Prime Minister seeking parity of representation at both the forthcoming and subsequent Council of Nations and Regions meeting and International Investment Summit for Scottish city Leaders and explore opportunities for further discussion on a new approach to regional devolution with both governments.

## 5. Directors Report

The Programme Director spoke to the Directors Report, specifically outlining 3 key pieces:-

- The Alliance in partnership with SPRE (Scottish Policy Research Exchange) recently hosted a joint online workshop to support effective engagement between circa. 70 research and local policy makers across Scotland's cities. The workshop highlighted examples of successful research engagement with local policymaking across Aberdeen, Dundee, Edinburgh and Glasgow and provided a forum to discuss the support researchers and local policymakers would welcome to support wider research engagement at a city level in Scotland. The Alliance and SPRE plan to utilise feedback from the workshop to provide an enhanced offer for researchers and local policy makers which might support the wider application of research to address urban challenges in Scotland.
- The Alliance continues to play a facilitating role in supporting the development of key relationships linked to advancing delivery on the transition to net zero agenda including linking the work of 3Ci into the Scottish Government Net Zero and Investment teams. It was noted that 3Ci are attending the dinner this evening and there will be an opportunity to discuss this work further with them.
- 8<sup>th</sup> City ERDF Programme – it was noted that this programme has come to an end and that the closure report will be available at the next meeting.

- **Scottish Cities Week**

The Investment Lead spoke to the paper tabled updating the Leadership Group on the programme developed with the Investment Promotion Working Group. The group confirmed their support for the programme tabled noting that as was the case with this year's programme, there will be an opportunity for partner organisations to participate.

Mr. Arthur confirmed his support for the programme and looked forward to receiving more detail to share with colleagues to ensure effective representation.

Finally, it was noted that an invitation has been sent by the Co-chairs to Ian Murray, Secretary for State for Scotland setting out the opportunity to work with the UK Government to develop a bespoke session as part of the programme hosted by UK Government Ministers focused on how both UK and Scottish Governments attract investment to Scotland. Cllr Day offered to follow up on this invitation on behalf of the Alliance.

- **UKREiiF 2025**

The Alliance Project Officer gave an update on the next steps to progress the Team Scotland Pavilion secured for the Alliance partners at UKREiiF 2025. The Chair welcomed the approach and the progress made. The success in collaborating with private sector partners at UKREiiF 2024 was noted which helped to bring a different audience, and it was confirmed that the Alliance are in conversation with companies to emulate this approach in 2025. As in previous years, Glasgow will continue to have their own stand, but they will support the Team Scotland stand.

Discussion took place on the importance of ensuring all cities and Scottish Government are aligned on key messages for UKREiiF and have a shared and agreed understanding on their appetite to risk to ensure that investors understand the collective appetite for this in Scotland. The Chair confirmed that a joined-up approach would definitely be helpful and it was agreed that the Alliance aim to progress a discussion on this at the next Leadership Group meeting and at subsequent special meetings in advance of UKREiiF 2025 as necessary.

Other points raised in discussion included:-

- It was noted by Glasgow that although UKREiiF positions itself as real-estate led, it is clear that there is also a strong innovation focus and cities should consider this as part of their preparations for attending.
- It was noted that last year there was a significant UK Government presence, and the group agreed that Scottish Government attendance would be valuable to support Scottish cities in conversations with investors through communication of a message to market on Scottish policy and regulation.
- It was noted that the Alliance had agreed with the Investment Promotion Working Group an approach to measuring the success of the UKREiiF programme which built upon that adopted by the Department for Business and Trade's presence last year. It was agreed that the Alliance should facilitate an in person meeting of the Leadership Group post-UKREiiF to reflect on the Team Scotland presence delivered.
- The Alliance team asked that consideration be given by cities and Scottish Government to policy announcements they may wish to make at the Team Scotland Pavilion to enable the Alliance team to plan activities around these announcements, maximising the programme's impact. The aim is for decisions on announcements that need to be featured in the conference programme to be finalised by the end of January.
- It was noted that the Alliance will be convening a UKREiiF steering group of officers from across the partners to aid development of the programme plans. The first meeting of the group will take place on 13<sup>th</sup> November and the Leadership Group is asked to work closely with relevant officers on their own city plans for UKREiiF to allow officers to input effectively to these discussions.

- **Budget**

The Programme Director spoke to the Budget report to June 2024 and approval was given to publish this on the Alliance's website in accordance with the protocols.

## 6. A.O.B

- **Climate Delivery Framework – Political Oversight Group – City Leader Representation**

The Programme Director noted that the Alliance led the way on the development of the City Centre Delivery Framework which has recently been approved by Scottish Government and Cosla. The framework will establish a new governance structure between local government and Scottish Government to accelerate delivery of the most critical parts of managing and funding the climate crisis, including how Scotland makes more rapid progress in decarbonising key sectors such as transport and heat. Cosla and the Scottish Government have advised that they would welcome a city representative from local government to sit on the Political Oversight Group for the framework to ensure the voice of urban Scotland is represented and the Chair asked those who may be interested to put their names forward.

Cllr Yuill and Cllr Aitken both indicated an interest in the role and it was agreed as a next step that the Programme Director would seek further information on the terms of reference for the group to aid further discussion on Alliance representation.

## 7. Dates of Future Meetings

- Thursday 20<sup>th</sup> February 2025 9.30 am – 11.30 am – via MS Teams – This meeting will be chaired by Cllr Day.  
*[post-meeting note – this conflicts with other meetings, therefore the date will change.]*
- It was noted that the “Delivering retrofit at scale in Scotland” Round table dinner will take place following the Leadership Group meeting from 19:00 – 22:00pm at the V&A Dundee, 1 Riverside Esplanade, Dundee.

The meeting finished at 15:30 pm.