

**Response to Local Government and Communities Committee consultation on
City Deals**

Scottish Environment LINK Economics Groups

May 2017



Scottish Environment LINK is the forum for Scotland's voluntary environment community, with over 35 member bodies representing a broad spectrum of environmental interests with the common goal of contributing to a more environmentally sustainable society. LINK provides a forum for these organizations, enabling informed debate, assisting co-operation within the voluntary sector, and acting as a strong voice for the environment. LINK works mainly through groups of members working together on topics of mutual interest, exploring the issues and developing advocacy to promote sustainable development, respecting environmental limits.

Scottish Environment LINK Economics Groups welcome the opportunity to respond to the consultation on City Deals.

Recommendations:

- **The purpose of City region deals should be broadened to deliver environmentally-sustainable and low-carbon economies subject to significant degrees of local democratic control;**
- **City Region Deals should contribute the Sustainable Development Goals and to climate change and biodiversity objectives and targets;**
- **City Region Deals should be aligned with planning policy and integrated into the development plan process.**

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

LINK member organisations' understanding is that City Region Deals are closely tied to Scotland's Economic Strategy. As such, their main purpose is to boost economic growth, and to do so through more co-ordinated and ambitious municipalism.

We are concerned that the ambition to generate inclusive growth is too narrow a focus for the City Region Deals. They should be directing investment towards the transition to sustainable and equitable low-carbon economies. Without such direction they may well increase carbon emissions rather than reduce them.

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

LINK member organisations do not have evidence on this. Our impression is that some city-regions have dusted off and brought forward existing pipeline infrastructure projects while others have been more creative in developing genuinely new projects.

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

LINK member organisations are under the impression that deals are individual and there is no standardized approach to governance. The substantial rural hinterland associated with the city regions, which is capable of providing the city's water, recycling its waste; and contributing to its energy demands, food and building materials, suggests a stronger governance role for natural resource agencies, such as SEPA, SNH and Scottish Water, than has generally been the case.

Our sense is that in some city-regions the process has been opaque, even to some elected members and there is a lack of transparency and awareness. Importantly, this could affect the submission of potential projects to be considered during the early scoping stages; and has led to a perception that city deals are being delivered behind closed doors.

The lack of a transparent approach has led to concerns amongst LINK member organisations about the stage at which individual projects are subjected to the necessary environmental tests. In line with the existing planning policy framework, all City Region Deals must be required to carry out Strategic Environmental Assessment, and where appropriate a Habitats Regulations Assessment, as early as possible; meaning that alternative projects are properly assessed for environmental impact at the scoping stage and can be ruled out if they are incompatible with environmental objectives.

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

The engagement process with LINK member groups (both local groups and national NGOs) has differed greatly between City Region Deals, but has generally thought to have been inadequate and occurred too late in the process. Anecdotal evidence from local members of LINK organisations suggests they did not feel bought into the process in the Stirlingshire, Aberdeenshire or Inverness-shire regions, receiving little or no information about the Deals in their areas. Local organisations and businesses have also reported low levels of engagement, although one LINK member organisation was invited to participate in an event led by Green councillors in Edinburgh on 'Greening the City Region Deal' – but this event was tangential to the main process of city-region deal development. Proposed projects for City Region Deals should be subject to proper public consultation and scrutiny. This could be done by integration of the City Region Deals into the development plan process.

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

LINK member organisations' impression is that other regions do not currently have access to equivalent funding and support.

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

LINK member organisations feel that City Region Deals are going some way to supporting a shift towards local decision-making on major investment projects. However, this could be enhanced with better transparency and engagement as described above.

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

There are a number of relevant areas which we would like to bring to the Committee's attention:

The purpose of City region deals should be broadened to deliver environmentally-sustainable and low-carbon economies subject to significant degrees of local democratic control

The principles of sustainable development clearly spell out that our economy is a means to wellbeing and needs to operate within environmental constraints. The city-region deals are for the most part a missed opportunity to do some transformative thinking about sustainable development at the level of the bio-region. Currently there is more of a focus on specific capital projects than on using these investments to establish a direction of travel towards low carbon, inclusive and prosperous city-regions.

Scotland is blessed with a geography which (as articulated by Patrick Geddes) naturally lends itself to thinking in bio-regional terms, with a mutually beneficial exchange between rural and urban areas. City-regions can take an integrated approach to greening the systems for energy, transport, water, soil and nutrients, food, building materials and timber; and to building the circular economy.

City Region Deals should contribute the Sustainable Development Goals and to climate change and biodiversity objectives and targets

Scotland was one of the first countries to sign up to the global Sustainable Development Goals¹ and has its own National Performance Framework². The Goals require us to take a responsible approach to global and local environmental and social justice. As well as contributing to the goals, LINK member organisations see two key areas that must be given priority in the design of City Region Deals. The Climate Change (Scotland) Act 2009 committed Government to reduce emissions by 42% by 2020 and 80% by 2050 and the current draft Energy Strategy proposes that 50% all energy consumed (heat, transport and electricity) in Scotland comes from renewable sources by 2030. These targets demand a step change in the way we live and work and it is the view of LINK member organisations, that all public investment must be aligned to achieving this. Scotland is not meeting its biodiversity targets³ and this, again, requires a step change in prioritisation.

As such, infrastructure projects, labour market projects, innovation and growth projects, and housing projects brought forward under City Region Deals should all be designed to be compatible with these imperatives. Given the urgent need for reductions in emissions, the investment should be shown to reduce emissions not increase them; and all projects should be assessed for their climate and environmental impacts. City Deals should be made consistent with local decarbonisation strategies e.g. Sustainable Energy Action Plans as well as the Climate Change Plan at national level.

The vital role that functional biodiverse green space and green infrastructure has to play in our city and urban areas must be a strong feature of all city region deals. All city region deals should contribute to the implementation of the National Ecological Network⁴, helping to deliver on targets to protect and restore biodiversity; improve air quality; connect more people with the natural world; and maximise the benefits for Scotland of a diverse natural environment and the services it provides. Labour market projects should focus on preparing people to contribute to the challenges and opportunities associated with this time of transition, reskilling people from industries that will necessarily decline. Innovation and growth projects must focus on economic activity that reduces our environmental impact in terms of carbon emissions, consumption of natural

¹ <http://www.un.org/sustainabledevelopment/sustainable-development-goals/>

² <http://www.gov.scot/About/Performance/scotPerforms>

³ <http://www.gov.scot/Publications/2013/06/5538>

⁴ <http://www.scotlink.org/public-documents/a-roadmap-for-adopting-a-national-ecological-network-for-scotland/>

LINK Consultation Response

resources and impacts on biodiversity. Housing projects must harness renewable heat, be of a high standard in terms of energy efficiency, incorporate micro-generation technologies where feasible, have access to good quality green spaces and be serviced by public transport.

LINK member organisations' impression is that most of the projects brought forward under City Region Deals to date have not taken on this challenge. A potential exception is the Stirling and Clackmannanshire City Region Deal, where there is a proposed 'sustainability hub' and a series of interlinked wetland sites near the river along with riparian and floodplain habitats which could deliver sustainable flood and water management, pollinator networks and benefit fisheries; making a valuable contribution to climate change mitigation and biodiversity. However, the proposed barrage would unfortunately negate much of this due to its negative impact on biodiversity.

City Region Deals should be aligned with planning policy and integrated into the development plan process

The Third National Planning Framework⁵ identifies city regions as a key opportunity to develop sustainable low-carbon places for people to live; build climate resilience; and improve the quality of life for communities by integrating urban environment and green infrastructure. As well as providing this overall direction, alignment with existing planning policy would ensure due process is followed in terms of environmental assessment and public engagement.

Aligning with existing National Planning Framework, Scottish Planning Policy and Local Development Plans, would mean that all City Region Deals would be required to carry out Strategic Environmental Impact Assessments and Habitats Regulations Assessments and these should be integrated into the process at the earliest stages. Public consultation and engagement must be improved and the obvious and most efficient way to ensure this would be through integrating the City Region Deals into the development plan process.

LINK members supporting this consultation response:

Buglife
Butterfly Conservation Scotland
Scottish Wild Land Group
Friends of the Earth Scotland
Froglife Trust (Scotland)
Nourish Scotland
Plantlife Scotland
RSPB Scotland
Scottish Badgers
Scottish Wildlife Trust
Scottish Wild Land Group

⁵ <http://www.gov.scot/Resource/0045/00453683.pdf>