

**Cross-Party Group on Industrial Communities
Wednesday 16 November 2011, Scottish Parliament**

Attending Councillors	Attending Officers		Attending MSPs
James Kelly Barney Menzies Arthur Robertson John Syme	Linda Aird Darren Burns Carole Coull Pauline Douglas Steve Fothergill Thomas Glen	Anne Houston Kenny Lean Malcolm Leitch Melissa Macklin Jim Millard John Smith	Colin Beattie Neil Bibby Helen Eadie Mark Griffin John Mason John Pentland

Apologies	
Jim Clocherty Karl Djorozenko Drew Filson Jackie Hill Brian McColgan	David O'Neill Douglas Reid Katherine Trebeck Chris Wragg

Introduction

Helen Eadie welcomed Alex Neill – Cabinet Secretary for Infrastructure and Investment - to the meeting to address the meeting. The Cabinet Secretary began by discussing issues of youth unemployment and indicated that heading towards a full employment position needs to be a top priority for the Scottish Government. He also noted that research demonstrates that unemployment leads to issues of poor educational attainment, crime, mental health issues, etc. He recognised the ongoing welfare reforms taking place, but also confirmed that the Scottish Government’s position is that it is inhumane to force people off benefits without work to go to, and leads to other social problems.

In discussing the economy, he suggested that renewable energy provides huge opportunities in offshore wind for our communities and, in particular, renewable energy offers an opportunity to industrial communities. He also indicated that there was a need to maintain a higher level of capital spend in order to kick-start the economy, and acknowledged the £7.5 billion that the Scottish Government would be receiving from the Westminster Government to spend on capital and their intention to leverage in other funds to bring this total up to about £12 million.

He also confirmed the intention of the Scottish Government to focus resources in targeting them in areas that need it most. He mentioned a number of different funding streams, including TIF projects, with six new announced recently, and an expected announcement on Enterprise Zones imminent. He also indicated that the Scottish Government would be ensuring that Enterprise Zones have a particular emphasis on expanding the manufacturing sector and that the Government would continue to ensure that public sector procurement provided appropriate opportunities for industrial communities.

Discussion

The discussion that followed covered a number of areas. Firstly, the imminent closure of Remploy factories in which Helen Eadie highlighted her concerns, which were also shared by the Cabinet Secretary.

Discussion (continued)

Anne Houston raised the issue of the Future Jobs Fund and acknowledged that, while the Community Jobs Fund that had been established was providing a useful model for work experience, it was limited in terms of its reach out to those unemployed people who would require it most. The Cabinet Secretary indicated that the Community Jobs Fund should not be seen in isolation, and that there were a number of other funds which would safeguard jobs, for example the Housing Infrastructure Loan Fund which would safeguard jobs in the construction sector. He also indicated that there was ongoing funding for 14,500 training places aimed at people getting ready for work and a scheme for apprenticeships to be prevented from finishing early. The Cabinet Secretary said that he would welcome input from the Industrial Communities Alliance on any potential future roll-out of the Community Jobs Fund Programme beyond the pilot and suggested that the ICE contact John Swinney to arrange a meeting to discuss this further.

The Coalfield Regeneration Trust was raised by Steve Fothergill who highlighted the English and Welsh commitment to ongoing Coalfield Regeneration Trust funding. The Cabinet Secretary pointed out that, in addition to the Coalfield Regeneration Trust, there was a wide range of regeneration funding projects which should complement the work of the CRT. He highlighted the fact that the Scottish Government would be funding their National Regeneration Strategy in the next few months and that the Government were also talking to local authority colleagues about resources available and how to spend these. In addition, the Scottish Government is trying to ensure that European Structural Funds and Big Lottery Funds are aligned with the wide range of regeneration funds. After this process has been completed, the Scottish Government will meet with the Coalfield Regeneration Trust, URC and other organisations which currently receive regeneration funding, however, he did indicate that the Scottish Government are committed to ongoing investment in coalfield communities.

Malcolm Leitch raised the issue of targeting and of funds and asked the Cabinet Secretary to consider how the next generation Structural Fund reforms can be sure of targeting the right areas. The Cabinet Secretary indicated that, at the moment, there will be overall thematic targeting in the next generation of Structural Funds, but there will also be locally specific geographic targeting. Helen Eadie asked the Cabinet Secretary how stakeholders will be engaged more effectively with Structural Funds moving forward and the Cabinet Secretary confirmed that the Scottish Government are trying to implement a simplified and streamlined and co-ordinated approach to the Structural Funds in the next round.

Barney Menzies welcomed the public procurement commitment from the Scottish Government and asked whether this commitment would stretch to local authority budgets. The Cabinet Secretary confirmed that 50% of the Scottish Government budget goes through local authorities and the NHS. Every major public procurement contract should have a community benefit clause which becomes an automatic part of procurement.

Following Mr Neill's departure from the meeting, the discussion continued on a number of issues. Barney Menzies highlighted his concerns that industrial communities don't miss out on the next phase of renewables opportunities. John Syme expressed his concerns that small businesses could be used more effectively by councils in terms of maintenance and repair work. Steve Fothergill highlighted the need for the Industrial Communities Alliance in Scotland to actively engage in sending correct messages from Scotland to Westminster.

Finally, there was some discussion on the priorities for the Cross Party Group moving forward, and it was agreed that the priorities paper submitted to the meeting was appropriate, and that the two key issues for the group moving forward would be tackling worklessness and improving job creation opportunities and improving the local economy. In addition, it was agreed that the previous funding sub-group of the Cross-Party Group should be reinstated and Anne Houston agreed to convene a meeting of this early in 2012.

The final business included a brief discussion on the impact of the Incapacity Benefit Reforms on industrial communities and there was general consensus that this report highlighted issues of grave concern in terms of the huge numbers of people who would be no longer receiving benefits and for whom there were no real prospects of employment either. It highlighted a number of issues which were discussed by the group, and Mark Griffin indicated that he would seek to have Steve Fothergill as a witness at the Local Government Committee to raise some of these issues. It was also agreed that it would be appropriate to arrange an event in the Scottish Parliament for MSPs, MEPs and MPs on the Incapacity Benefit Report. Anne Houston agreed to discuss this further with Helen Eadie with a view to organising something in early 2012. Committee members requested that a copy of the Incapacity Benefit Report and it was agreed that this would be distributed electronically.

Date of Next Meeting

WEdnesday 29 February 2012, 5pm