

Cross-Party Group in the Scottish Parliament

Industrial Communities

Wednesday 20th January 2016

5.15 pm

Room TG.20/21, Scottish Parliament

Minutes of Meeting

Agenda Item 1

Attendance and Apologies:

Present:

Colin Beattie MSP	Convener
John Mason MSP	
Cameron Buchanan MSP	
Cllr William Menzies	East Ayrshire Council
Cllr Bob Young	Fife Council
Cllr Tom Adams	Fife Council
Ian McCrory	Fife Council
Malcolm Leitch	Glasgow City Council
Cllr Derek Rosie	Midlothian Council
Cllr Joe Wallace	Midlothian Council
Steve Fothergill	Industrial Communities Alliance

In Attendance:

Eleanor Taylor	Scottish Enterprise
Alan McCabe	Scottish Enterprise
Brian McLeish	Scottish Enterprise

Apologies:

Elaine Murray MSP	
Angus McDonald MSP	
Cllr James Robertson	North Lanarkshire Council
Cllr Bobby McDill	East Ayrshire Council
Karl Doroszenko	East Ayrshire Council
Linda Aird	North Ayrshire Council
Brian McColgan	West Dunbartonshire Council
Cllr Jim Dempster	Dumfries & Galloway Council
Cllr John Syme	Dumfries & Galloway Council
Cllr George Redmond	Glasgow City Council
Cllr Roy Glenn	Renfrewshire Council
Cllr Ann Galbraith	South Ayrshire Council
Dave Hewet	Director, ICA Scotland

Item 2 Annual General Meeting

2.1 Draft Annual Return

The meeting approved the previously circulated draft annual return outlining the activities of the group for 2015 and authorised its submission to the Scottish Parliamentary authorities.

2.2 Election of Convenor and Deputy Convenor for 2016

The meeting unanimously elected Colin Beattie MSP and Neil Bibby MSP respectively as Convenor and Deputy Convenor of the Group.

Item 3 Minutes of Previous Meeting

Subject to the inclusion of Cameron Buchanan MSP in the list of apologies for absence, the minutes of the previous meeting of the Cross Party Group (previously circulated) were approved.

Item 4 Presentation by Scottish Enterprise

The Convenor welcomed the representatives from Scottish Enterprise to the meeting and invited them to give a presentation on recent developments regarding Regional Selective Assistance and other business support provided by Scottish Enterprise.

Scottish Enterprise reminded the Group that new EU rules governing schemes such as Regional Selective Assistance (RSA) had come into force on 1st July 2014. One of the key features of the new rules was that assistance to large companies for expansion of existing activity in the same location within an Assisted Area was no longer eligible. Large firms could only qualify for RSA if there was a diversification of product or the firm was investing for the first time in that location.

So despite an increase in Assisted Area coverage in Scotland that had resulted in more SE account managed companies being located in an Assisted Area, there had been a significant drop in RSA offers. In addition there had been a drop off in offers to SMEs.

Scottish Enterprise was seeking to promote company growth using other EU State Aid rules, in particular through the General Block Exemption Regulation. This could be used to support activities linked to the environment, training and innovation.

In response to questions, Scottish Enterprise confirmed that it was still paying out on RSA commitments made in previous years but that it was keen to work with stakeholders to improve future RSA “deal flow”. It was suggested that engagement with the Scottish Local Authority Economic Development Group (SLAED) might be one way of achieving this outcome and M Leitch undertook to raise this with the Chair of the SLAED Company Growth Group.

In conclusion the Convenor thanked the Scottish Enterprise representatives for their attendance and for giving such an informative presentation.

Item 5 Rebuilding the Economy of Scotland’s Industrial Communities

S Fothergill reminded the group of the engagement it had had with Keith Brown MSP in 2015. An updated version of an ICA Scotland note highlighting some key concerns had previously been circulated and he suggested that this form the basis of the discussion planned with the Cabinet Secretary for 11th February 2016.

The Group agreed with this proposal and the Chair requested that he be notified of any additional issues to be raised with the Cabinet Secretary as soon as possible. He stressed however that the number of items discussed needed to be kept manageable, given the limited time available in the Cabinet Secretary diary for this meeting.

Item 6 Report on the Work of the Steel Task Force

The Convenor indicated that he had written to the First Minister following the previous meeting of the Group on recent developments in the Scottish steel industry. He had received a very positive response from the First Minister.

The Group noted that the aim of the Steel Task Force was to retain the Clydebridge and Dalzell works as “going concerns”.

Item 7 Security of Electricity Supply

S Fothergill summarised recent ICA activities on the issue of electricity supply and in particular drew attention to a useful meeting that an ICA

delegation had held with Angus MacNeil MP, Chair of the House of Commons Select Committee on Energy and Climate Change. Subsequently the Committee had called National Grid to give evidence to the committee on security of supply.

At the end of 2015 National Grid had offered an additional contract for 2016/17 to the operators of Eggborough Power Station in Yorkshire, another of the closure threatened coal fired power stations. It was not clear whether the operators of Longannet had been invited to bid and, if so, whether a bid had been submitted.

It was agreed that the Convenor should write to the Chair of the House of Commons Energy and Climate Change Select Committee and the Energy Minister outlining the Group's concerns on this matter.

Item 8 Any Other Business

There was no other business.

Item 9 Date of next Meeting

The Convenor indicated that he was keen to have a final meeting of the Group before the Parliament broke up for the election and suggested that this should take place on 16th March 2016.

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