



## LOCAL GOVERNMENT AND COMMUNITIES COMMITTEE

### AGENDA

7th Meeting, 2019 (Session 5)

Wednesday 27 February 2019

The Committee will meet at 9.45 am in the James Clerk Maxwell Room (CR4).

1. **Decision on taking business in private:** The Committee will decide whether to take item 6 in private.
2. **Subordinate legislation:** The Committee will take evidence on the Asset Transfer Request (Designation of Relevant Authority) (Scotland) Order 2019 [draft] from—

Kevin Stewart, Minister for Local Government, Housing and Planning, and Malcolm Cowie, Policy Manager, Community Empowerment Team, Scottish Government.

3. **Subordinate legislation:** Kevin Stewart (Minister for Local Government, Housing and Planning) to move—

S5M-15748—That the Local Government and Communities Committee recommends that the Asset Transfer Request (Designation of Relevant Authority) (Scotland) Order 2019 [draft] be approved.

4. **Subordinate legislation:** The Committee will consider the following negative instrument—

The Local Governance (Scotland) Act 2004 (Remuneration) Amendment Regulations 2019 (SSI 2019/23).

5. **City region deals:** The Committee will take evidence from—

Councillor Susan Aitken, Chair, Glasgow City Region Cabinet and Leader of Glasgow City Council;

Kevin Rush, Director of Regional Economic Growth, Glasgow City Region;

Joyce White, Chief Executive, West Dunbartonshire Council;

Graham Thom, Managing Director, and John Nolan, Associate Director, SQW.

6. **City region deals:** The Committee will consider the evidence heard earlier in the meeting.

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The papers for this meeting are as follows—

**Agenda item 2**

Note by the Clerk

LGC/S5/19/7/1

**Agenda item 4**

Note by the Clerk

LGC/S5/19/7/2

**Agenda item 5**

Note by the Clerk

LGC/S5/19/7/3

PRIVATE PAPER

LGC/S5/19/7/4 (P)

**Local Government and Communities Committee**

**7th Meeting, 2019 (Session 5), Wednesday 27 February 2019**

**Subordinate Legislation**

**Overview of instruments**

1. The following instrument, subject to affirmative procedure, is being considered at today's meeting:
  - The Asset Transfer Request (Designation of Relevant Authority) (Scotland) Order 2019 (SSI 2019/draft).

**The Asset Transfer Request (Designation of Relevant Authority) (Scotland) Order 2019**

**Background**

2. This Order designates VisitScotland as a relevant authority for the purpose of Part 5 of the Community Empowerment (Scotland) Act 2015. The policy note for the instrument is attached at **Annexe A**.
3. An electronic copy of the instrument is available at:  
[http://www.legislation.gov.uk/sdsi/2019/9780111040669/pdfs/sdsi\\_9780111040669\\_en.pdf](http://www.legislation.gov.uk/sdsi/2019/9780111040669/pdfs/sdsi_9780111040669_en.pdf)
4. The Committee needs to report on this instrument by 17 March 2019.

**Delegated Powers and Law Reform Committee consideration**

5. The Delegated Powers and Law Reform Committee considered this instrument at its meeting on 5 February 2019 and determined that it did not need to draw the attention of the Parliament to the instrument on any grounds within its remit.

**Procedure**

6. Under Rule 10.6.1 (a), these instruments are subject to affirmative resolution before they can be made. It is for the Local Government and Communities Committee to recommend to the Parliament whether the draft instrument should be approved.
7. The Minister for Local Government, Housing and Planning has, by motion S5M-15748 (set out in the agenda) proposed that the Committee should recommend the approval of this statutory instrument. The Minister will attend in order to speak to and move the motion. Ahead of the formal debate (as part of an earlier agenda item), there will be an opportunity for members to ask questions of the Minister and his officials on the background to and purpose of this instrument.

8. At the end of the debate, the Committee must decide whether or not to agree the motion, and then report to Parliament accordingly. Such a report need only be a short statement of the Committee's recommendations.

**POLICY NOTE****THE ASSET TRANSFER REQUEST (DESIGNATION OF RELEVANT  
AUTHORITY) (SCOTLAND) ORDER 2019****SSI 2019/XXX**

The above instrument was made in exercise of the powers conferred by section 142(2) of the Community Empowerment (Scotland) Act 2015. The instrument is subject to affirmative procedure.

**Policy Objectives**

Under section 79 of the Community Empowerment (Scotland) Act 2015 (“the Act”) an asset transfer request may be made by a community transfer body for any land owned or leased by a “relevant authority”. Schedule 3 (“the Schedule”) of the Act lists a range of public bodies as relevant authorities, including Scottish Ministers. Scottish Ministers may by order modify the Schedule, or designate new relevant authorities.

This order designates VisitScotland as a relevant authority, so that asset transfer requests can be made for land (including buildings) which it owns or leases.

It is policy intention that property managed by VisitScotland should be subject to asset transfer legislation. SG officials have been in regular discussion with VisitScotland who understand the requirement and are agreeable to being added to the Schedule. VisitScotland is an executive non departmental public body and owns buildings in its own right. Properties in Care are still held by Scottish Ministers, but in order to keep it within the asset transfer scheme all land or buildings managed by VisitScotland must be subject to asset transfer, therefore requiring VisitScotland to be designated a relevant authority.

**Consultation**

To comply with the requirements of section 142(2) of the Act, VisitScotland were fully consulted throughout the process, and no concerns were raised as a result of the consultation.

VisitScotland has agreed to be added to the Schedule of the Act as a relevant authority.

**Impact Assessments**

This designation has no impact on issues for which impact assessments are required.

**Financial Effects**

The Minister for Local Government, Communities, and Planning confirms that no BRIA is necessary as the instrument has no financial effects on the Scottish Government,

local government or on business. VisitScotland will be involved in advising the Scottish Ministers on asset transfer requests in relation to the property it manages on their behalf. Adding its own property will not have any additional effects.

Scottish Government  
Directorate for Local Government and Communities  
January 2019

## Local Government and Communities Committee

7th Meeting, 2019 (Session 5), Wednesday 27 February 2019

### Subordinate Legislation

#### Overview of instruments

1. The following instrument, subject to negative procedure, is being considered at today's meeting:
  - The Local Governance (Scotland) Act 2004 (Remuneration) Amendment Regulations 2019 (SSI 2019/23).

#### Background

2. This instrument makes provision in relation to the remuneration of local authority councillors. It amends the Local Governance (Scotland) Act 2004 (Remuneration) Regulations 2007 to increase the level of remuneration payable to local authority councillors by 2.8%. The increase will take effect from 1 April 2019. The policy note for the instrument is attached at **Annexe A**.
3. An electronic copy of the instrument is available at:  
[http://www.legislation.gov.uk/ssi/2019/23/pdfs/ssi\\_20190023\\_en.pdf](http://www.legislation.gov.uk/ssi/2019/23/pdfs/ssi_20190023_en.pdf)
4. No motion to annul this instrument has been lodged.

#### Delegated Powers and Law Reform Committee consideration

5. The Delegated Powers and Law Reform Committee (DPLRC) considered this instrument at its meeting on 19 February 2019 and determined that it did not need to draw the attention of the Parliament to the instrument on any grounds within its remit.

#### Committee Consideration

6. The Committee is not required to report on negative instruments, but should it wish to do so, the deadline for reporting on the instrument is 18 March 2019.

#### Procedure

7. Negative instruments are instruments that are "subject to annulment" by resolution of the Parliament for a period of 40 days after they are laid. This means they become law unless they are annulled by the Parliament. All negative instruments are considered by the Delegated Powers and Law Reform Committee (on various technical grounds) and by the relevant lead committee (on policy grounds).

8. Under Rule 10.4, any member (whether or not a member of the lead committee) may, within the 40-day period, lodge a motion for consideration by the lead committee recommending annulment of the instrument.
9. If the motion is agreed to by the lead committee, the Parliamentary Bureau must then lodge a motion to annul the instrument to be considered by the Parliament as a whole. If that motion is also agreed to, the Scottish Ministers must revoke the instrument.
10. Each negative instrument appears on the Local Government and Communities Committee's agenda at the first opportunity after the Delegated Powers and Law Reform Committee has reported on it. This means that, if questions are asked or concerns raised, consideration of the instrument can usually be continued to a later meeting to allow the Committee to gather more information or to invite a Minister to give evidence on the instrument. Members should however note that, for scheduling reasons, it is not always possible to continue an instrument to the following week. For this reason, if any Member has significant concerns about a negative instrument, they are encouraged to make this known to the clerks in advance of the meeting.
11. In many cases, the Committee may be content simply to note the instrument and agree to make no recommendations on it.

**POLICY NOTE****THE LOCAL GOVERNANCE (SCOTLAND) ACT 2004 (REMUNERATION)  
AMENDMENT REGULATIONS 2019****SSI 2019/23**

The above instrument is made by the Scottish Ministers in exercise of the powers conferred by sections 11 and 16(2) of the Local Governance (Scotland) Act 2004 and all other powers enabling them to do so. It is subject to the negative procedure.

**Policy Objectives**

This instrument makes provision in relation to the remuneration of local authority councillors. It amends the Local Governance (Scotland) Act 2004 (Remuneration) Regulations 2007 to increase the level of remuneration payable to local authority councillors by 2.8%. The increase will take effect from 1 April 2019.

**Consultation**

There is no requirement for the Scottish Ministers to undertake a consultation before making a recommendation on councillors' salaries. Ministers are following the procedure established in 2017, to increase councillors' pay annually in line with the percentage increase in the median annual earnings of public sector workers in Scotland. This information is published by the Office of National Statistics in the *Annual Survey of Hours and Earnings*.

**Impact Assessments**

An equality impact assessment has not been undertaken as the increase in councillors' remuneration applies to all local authority members. The Scottish Ministers have decided that a Business Regulatory Impact Assessment is not required as there is no impact on business or the third sector and the impact on the public sector (council budgets) is not expected to cause a significant financial pressure. The salary increase would be met from existing council budgets: it is estimated that for 2019-20 the total cost would be around £731,472 across all 32 councils.

Local Government and Analytical Services Division  
The Scottish Government  
January 2019

## Local Government and Communities Committee

7th Meeting 2019 (Session 5), Wednesday 27 February 2019

### City Region Deals: Note by the Clerk

#### Purpose

1. This paper provides background information on the Committee's evidence session with Glasgow City Council, West Dunbartonshire Council and SQW<sup>1</sup>, on City Region Deals.

#### Local Government and Communities Inquiry

2. At its meeting on 22 March 2017 the Committee agreed to undertake [an inquiry in City Region Deals](#). The remit of the inquiry was:

*To explore rationale, prioritisation and value for money in relation to city region deals, including the progress to date of city region deals in delivering job creation and economic growth, and the structure and governance of city region deals in Scotland.*

3. On 2 April 2017 the Committee launched its call for views. A total of [39 written submissions were received and published](#). A [Scottish Parliament Information Centre \(SPICe\) summary of the written views](#) was subsequently published.
4. The [Scottish Government explains](#) that City Region Deals are agreements between the Scottish Government, the UK Government and local government designed to bring about long-term strategic approaches to improving regional economies. Each deal is tailored to its city region, reflecting its individual economic strengths and weaknesses, and comprises a programme of interventions to support positive, transformative change.
5. Further background on city region deals can be found in the following briefing papers:
  - [Scottish Parliament Information Centre \(SPICe\) briefing on City Region Deals](#) (15 March 2017)
  - [Scottish Parliament Information Centre \(SPICe\) Overview Update on City Region Deals](#) (1 November 2017)
  - [Accounts Commission/Audit Scotland briefing paper – City Deals Overview](#) (May 2016)
6. Following receipt of the written submissions the Committee, undertook a number of evidence sessions with relevant stakeholders during November 2017 to explore some of the issues raised in the call for views. These sessions culminated with a

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<sup>1</sup> SQW - an independent provider of research, analysis and advice in economic and social development. <http://www.sqw.co.uk/>

joint evidence session with Lord Duncan of Springbank, Parliamentary Under Secretary of State for Scotland, UK Government and Keith Brown, then Cabinet Secretary for Economy, Jobs and Fair Work, Scottish Government, on 22 November 2017.

7. In addition to these formal evidence sessions, on 6 November 2017, the Committee undertook a fact finding visit to Glasgow Airport to learn more about the benefits and impact of the Glasgow Airport Investment Area and Glasgow Airport Access Projects, which form part of the Glasgow City Region Deal. This was followed by an informal discussion with community groups and businesses.
8. The Official Report and associated papers for these meetings and for the fact-finding visit are available on the Committee's webpage here:

<https://www.parliament.scot/parliamentarybusiness/CurrentCommittees/104236.aspx>

### **Committee Report**

9. The [Committee's report](#) was published on 8 January 2018. As most deals were then still at an early stage, the report's conclusions and recommendations focused on where improvements could be made to governance, project selection, monitoring and evaluation, and in relation to co-ordination with other government programmes.
10. The Scottish Government [responded to the Committee's report](#) on 13 March 2018. The [UK Government responded](#) on 10 April 2018.
11. At its meeting on 28 March 2018 the Committee noted the Scottish Government's response to its report and the outcome of the [Parliamentary debate held on 27 March 2018](#). It agreed to continue to monitor the progress of City Region Deals over the rest of the Session by way of regular evidence sessions with the UK and Scottish Government, particularly in relation to:
  - Progress of delivery
  - Selection processes and transparency
  - Coverage and displacement
  - Monitoring and evaluation

### **Further evidence sessions**

12. The first of these evidence sessions took place with Keith Brown, the Cabinet Secretary for Economy, Jobs and Fair Work at the Committee meeting on 13 June 2018. The UK Government was invited, but a Scotland Office Minister was unable to attend on that date. The Official Report for this evidence session is available on the Committee's webpage here:

<http://www.parliament.scot/parliamentarybusiness/report.aspx?r=11602&mode=pdf>

13. Following that session, the Committee agreed to invite further witnesses, representing the Glasgow and Stirling/Clackmannanshire Deals (the latter newly agreed) and to renew its invitation to the Scotland Office. Due to legislative and other commitments, the Committee was not able to continue its scrutiny during the remainder of 2018.
14. On 23 January 2019, the Committee reviewed its work programme and agreed a revised scrutiny programme in relation to City Region Deals. The Committee agreed to invite representatives of SQW, an economic consultancy, to give evidence alongside Glasgow Deals representatives. SQW are part of the National Evaluation Panel (NEP) which is currently assessing the economic impact of the first cohort of Deals. (The Glasgow Deal is the only Scottish Deal in Cohort 1.) The NEP's "Gateway Review 1" is due to be published in December 2019.
15. The Committee will therefore take evidence on 27 February from—
- Susan Aitken, Leader Glasgow City Council and Chair of the Glasgow City Region Cabinet and Kevin Rush, Director of Regional Economic Growth
  - Joyce White, West Dunbartonshire Council Chief Executive of West Dunbartonshire Council
  - Graham Thom, Managing Director and John Nolan, Associate Director, SQW
16. The main aim will be to discuss the impact the Glasgow Deal thus far, and any lessons learned. SQW have sent a written submission, which discusses in more detail the role of the NEP (see Annexe A).

### **Next Steps**

17. There will be an opportunity at the end of the 27 February meeting for the Committee to discuss the evidence it has just heard, and next steps.
18. The Committee has already agreed to hear from representatives of more recently agreed Scottish Deals: the Tay Cities Deal, the Edinburgh and the South East Scotland City Region Deal, and the Stirling and Clackmannanshire City Deal. The Committee also agreed to hear from North Ayrshire Council, as representative of a local authority which adjoins a City Region Deal area but which is not itself a partner in a City Region Deal, to assess what economic impact, if any, the Deal has had on the area. This session will take place on 13 March 2019.
19. The Committee also intends to take evidence from the Secretary of State for Scotland (UK Government) and the Cabinet Secretary for Transport, Infrastructure and Connectivity (Scottish Government) later in the year.

## Written Submission from SQW

### National Evaluation Panel for devolved Investment Funds – an overview

#### Purpose and context

- The purpose of the ‘National Evaluation Panel’ (NEP) is to “evaluate the impact of the locally-appraised interventions on economic growth”
- The ‘interventions’ are devolved Investment Funds within Locality devolution/growth/city deals across the UK
  - Not the deals in full, or deal activity not resourced by the Fund
  - The impact will be assessed for each Investment Fund individually, not as a group
- The NEP is the appointed consortium, led by SQW
  - The consortium includes an ‘Academic Group’ to provide academic rigour & peer review
- The remit of the NEP is to provide evidence for the five-year Gateway Reviews associated with the Investment Funds
  - Committed future funding beyond the first five-years will be subject to the outcome of Gateway Reviews & Ministerial decision-making
- The following are not within scope of the NEP:
  - Making recommendations to Ministers/officials on future allocations
  - Assessing if the impact meets a set GVA threshold – there isn’t one
  - Evaluating the ‘policy’ of devolved Investment Funds, or the Govt’s wider devolution policy agenda
  - Process evaluation
  - Economic evaluation
  - Appraising interventions, or advising on future interventions to be supported by the Investment Funds

#### Coverage

- The NEP covers Investment Funds in 11 Localities across the UK, within two ‘cohorts’ (based on start-year)
  - Cohort 1 (2015/16) - Greater Manchester, Greater Cambridge, Leeds City Region, Glasgow City Region
  - Gateway Review by March 2020 ... NEP findings by December 2019
  - Cohort 2 (2016/17) - Tees Valley, West Midlands, Liverpool City Region, West of England, Cambridgeshire & Peterborough, Sheffield City Region, Cardiff Capital Region
  - Gateway Review by March 2021 ... NEP findings by December 2020

## NEP approach

- The approach will involve
  - Development of a 'National Evaluation Framework' to establish the overall approach, principles & potential methods for the evaluation of the Investment Funds
  - In turn, development of 'Locality Frameworks' & 'Locality Evaluation Plans' setting out the scope & nature of evaluation activity to be delivered in each Locality
  - Delivery of evaluation research by the consortium, informed by monitoring data which will be collected by the Localities
  - Reports on the impact of interventions at the first five-year Gateway Reviews
  - With interim reports provided during the evaluation period
  
- 3 main workstreams, providing a mix of quantitative & qualitative evidence for the Gateway Review
  - Impact Evaluation of interventions (& on-going monitoring to track progress)
  - Capacity Development & Partnership Evaluation - strategic-level i.e. partnership, capacity & engagement benefits of 'the Fund' & project-level i.e. these benefits from individual interventions
  - Contextual Economic Forecasting - forecasts pre-intervention to identify how the economy was expected to develop to Year 5 (& potentially beyond), then review actual out-turn at Year 5 to provide context for impact evaluation

... underpinned by on-going engagement, incl. annual learning event with Localities to feed-back into delivery; & reporting, incl. baseline & light-touch annual reviews, & reports one-year out & for Gateway Review