

## Scottish Cities Response to the Infrastructure Commission for Scotland

### Introduction

Scotland's Cities - Aberdeen, Dundee, Edinburgh, Glasgow, Inverness, Perth, and Stirling - welcome the opportunity to provide a combined response to the Infrastructure Commission for Scotland.

Scotland's Cities represent 53% of the population of Scotland (2.86m) and are home to 55% of businesses, 61 % of jobs (1.51m), 67% of GVA (£84.6bn), and 63% of Scottish exports. Cities are also hubs for Scotland's transport networks, tourism gateways, and, as home to further education colleges and some of the world's most renowned Universities, act as centres of excellence in skills development for people from all parts of the country. The scale of the Scottish cities' contribution is critical to the economy of Scotland, and to the success and wellbeing of citizens across Scotland.

By international standards, however, analysis shows that the economic contribution of Scotland's cities is lower than it could be, and that growth of Scotland's cities is expected to lag that of comparators elsewhere in the UK. Despite their success to date, data suggests that Scotland's cities retain unrealised potential to contribute more to the Scottish Government's ambitions for inclusive growth and improved productivity, and that a stronger role for cities will be critical to ensuring a successful post Brexit economic landscape.

At the same time, Scotland's cities are home to increasingly diverse populations. Not least, cities account for over 40% of Scotland's most deprived populations and more than a third of all children living in poverty in Scotland, with these households often living in close proximity to some of Scotland's most prosperous areas. Such stark inequalities in income and experience within our communities places significant pressures on social cohesion, and underlines the challenge and need for more inclusive models of growth in a way that is more strongly felt in cities than in other parts of Scotland.

Within this context, Scotland's cities are committed to working together in the interest both of their citizens and the nation as a whole. Individually, each city has its own strengths and has much to offer, but it is the position of the Scottish cities that the best way to maximise our impact is to work collectively and look for opportunities to combine those strengths. To achieve this, as set out in "[Empowering Scotland's Cities: Empowering City Government](#)", the Scottish cities seek a new shared approach to improving Scotland's infrastructure including:-

1. Working as a cross city collective with Transport Scotland with cities sharing in decision making on transport policy and the prioritisation and delivery of transport investment spending.
2. Working more closely with other national infrastructure bodies (e.g. Scottish Futures Trust, Scottish Water and Zero Waste Scotland) and share in their policy decision-making wherein cities are given a clear strategic role in directing investments to cities and city-regions; and
3. Working with government, agencies and business partners in setting the policy, roll out and uptake of digital infrastructure.

As drivers of the economy, the Scottish cities, have a key role to play in informing the development of the Commission's recommendations closely linked to current work underway to inform the National Transport Strategy, STPR2 and the Scottish National Investment Bank. The Scottish Cities Alliance (the Alliance) plays a key role in facilitating strategic discussions between the seven Scottish

cities and the Scottish Government on these key policy drivers and has a role to play in supporting open dialogue between the Scottish cities and the Commission.

The Scottish Cities are concerned that there is a gap in first hand local government experience on the Commission and strongly recommend that consideration is given to either appointing a senior practising local government infrastructure professional as a Commissioner or as a special advisor to the Commission to address these concerns.

### **Key messages supported by the Scottish Cities**

The cities are concerned that the role and remit of the commission does not make any mention of the policy framework that infrastructure is controlled within. Specifically, there is no mention of the Programme for Government, Climate Change Act, National Transport Review, the Strategic Projects Review, the new Planning Bill, National Planning Framework 4, Scottish Government's Digital Strategy, Route Development Plan, etc. Decisions on future infrastructure investment need to be made on the basis of their ability to deliver a strong vision for inclusive economic growth to ensure we get the most out of future infrastructure spend. This needs to be at the heart of a future impact, measurement and evaluation framework.

The Scottish Cities understand that the Commission has been asked to consider the merits of establishing a Scottish National Infrastructure Company to support the delivery of its recommendations. The cities are keen to stress the importance of the Commission presenting proposals which declutter and simplify an already complex decision-making process for making infrastructure investment decisions in Scotland. The creation of an additional entity should not make the current landscape more cluttered.

The Commission should consider the drive for coalescence around place, and the emerging regional agenda for public services. This should mean that investment planning will be focused on inclusive growth across local areas, as much as it will be about improving national networks. Specifically, in relation to social infrastructure, there are good examples of the co-location of services across the Scottish cities which maximise the public capital estate and asset base. For example, in Perth, NHS Tayside has co-located in the Council offices as part of the council's integrated health and social care plan and a public sector hub in the council has also been created with the co-location of SDS, Visit Scotland and DWP staff. The Scottish cities are supportive of working proactively with the Scottish Government and national agencies to develop these opportunities and ensure regional infrastructure decisions are made in a way which supports the co-location of services.

There is a need to ensure that any infrastructure programme is future-proofed and that it looks across the broad sector and a long-time horizon. For instance, digital and SMART infrastructure will not only be key to transport going forward, it will be key to reducing the reliance on transport.

There is a view that the 30-year planning horizon is not long enough given that current assessment models are based around much longer timescales, varying from 60 years up until 120 years for major infrastructure projects.

While the call for evidence shows Scotland's foremost civil engineering project on the cover, in investing in new schemes we also need to take cognisance of the need to maintain our existing infrastructure. Investment in maintaining transport, buildings and utilities networks has declined significantly over the decades, but new technologies will require a sound base infrastructure to

function on. The longer-term revenue and capital life cycle costs of infrastructure need to be clearly built into the future planning of infrastructure projects, and there needs to be a significant and enduring increase in revenue funding to maintain existing infrastructure. Furthermore, there also needs to be a recognition that not all existing infrastructure is going to prove useful in the future and ensure that we account for the costs of removing redundant infrastructure as technologies progress.

In approaching new projects, we must ensure that all aspects of infrastructure are considered, for example, in drawing up any Development Plans, transport, digital and utilities connections should all be considered at the same time as the land use proposal itself. There is a need to re-consider the statutory framework which underpins Development Planning and include a statutory duty to provide a legally binding infrastructure plan.

There needs to be further thought around investing where infrastructure can sustain development, accepting that this needs to be balanced with other issues regarding rurality, areas of deprivation etc. For example, are the Housing Land Supply targets really the best way to stimulate sustainable development?

There is a need for utilities to take a holistic look at development planning to ensure that there is sufficient capacity across a network rather than considering issues on a site by site basis.

The National Planning Framework 4 is an opportunity to reduce the high level of uncertainty as to location of new development which currently arises from planning appeals allowing development contrary to the development plan. Infrastructure providers may have a common interest in showing what effect that uncertainty has on their investment programmes.

For all types of infrastructure investment, there needs to be a comprehensive asset management plan taking projects through from conception and implementation to decommissioning. This must link to a financial profile.

There is a need to re-visit some of the planning tools that we use, such as the Scottish Transport Appraisal Guidance (STAG), which are very much sector driven, and move towards scenario planning based on economic prosperity, place making and inclusive growth. There are concerns in the industry that STAG is not meeting planning needs as the ability to more productively work remotely might mean that reducing journey times is no longer a foremost productivity driver and could be replaced by a driver to provide smart travel solutions. In looking at transport, all modes need to be considered at the same time to avoid issues being tackled retrospectively. For instance, with a growing number of rail users, the issues with parking around key stations should have been foreseen. There is a need for much better integration across transport operators and modes to ensure better use of any new or existing infrastructure.

To help facilitate greater transparency and provision of information on transport policy and investment plans, the Scottish cities are keen to work as a cross-city collective to build new ways of working with Transport Scotland and commit to sharing information and resources to create efficiencies in transport delivery. This would be on the basis that in return, the cities are offered the opportunity to share in decision making on the prioritisation of transport spend and have a role in the process for transport appraisals.

The impact of new development on the wider community needs to be considered well in advance of new schemes and clearly communicated as part of the development plan process.

The Commission should consider the impact of climate change on our critical infrastructure and the need to upgrade and maintain what is often hidden, but essential, infrastructure. Increasing the size of sewers or repairing retaining walls is often not seen as a priority project until there is a flood event, or a sudden failure. There is a strong link between infrastructure investment to address climate change and the economic opportunity from these investments. For example, the Alliance's programme to build the hydrogen economy in Scotland is on the cusp of getting to a scale where the cities could help realise this economic opportunity for Scotland. The Scottish cities welcome the opportunity to coordinate national investment decisions for this sector via the Hydrogen Leadership Group.

The Scottish cities need a joined-up approach to infrastructure resilience across all agencies. There is an immediate need to review the critical national infrastructure plan in light of the emerging opportunities and challenges presented by Brexit to ensure Scotland is best placed to develop and maintain enhanced links with the rest of the UK and Europe. In particular, airport and harbour infrastructure will need to be responsive to any new demands in terms of customs/duty or certification and the volume of import/export to Scotland. For Scotland's cities, international air and maritime connections are essential to attracting the talent, investment and skills we need to drive our economies. Scotland needs to consider where it sits within the UK and the wider world in relation to air and maritime transport, and how our populations connect to these international gateways. What is a sustainable way forward for these international linkages, and could the use of smaller more sustainable planes and ships lead to a re-think of our required air and port infrastructure? Is there a new future for some of our smaller ports?

There is currently a demographic time bomb in the civil engineering and construction industries due to a drop off in recruitment in the 80's and 90's. We need to ensure that we have the right training programmes in place to deal with the many challenges we face. Ensuring access to a secure, skilled and flexible workforce with an understanding not only of the technological advances, but also with a sound grounding in basic technical skills to be able to construct sustainable infrastructure is essential. The Scottish Cities Alliance is currently supporting the Leaders of the Scottish Cities and the Minister for Europe, Migration and International Development to progress discussions with the UK Government following the publication of the UK Immigration White Paper.

We need to deliver the best digital coverage possible to support SMART technologies to flourish across Scotland. This digital expansion needs to be coupled to an open data ethos to allow innovation to flourish which builds upon work to accelerate and transform the delivery of city services using data and technology as part of the Scottish Cities Alliance's £60 million ["Scotland's 8<sup>th</sup> City – the Smart City"](#) ERDF Programme. One quick win in this area would be the sharing of user data across transport operators to be able to respond quickly to changing demands.

The shift to digitally driven infrastructure solutions should enable a larger proportion of public money to focus on people and service provision rather than in traditional physical infrastructure which is key to achieving inclusive growth. However, the Commission will need to consider the taxation implications of this shift to new technologies. For example, if the anticipated shift from fuel to low carbon vehicles happens, where we will raise the tax revenue to support future infrastructure which we currently gather from fuel duty and the road tax of petrol and diesel vehicles. Technology will provide new solutions and challenges to infrastructure provision going forward including, for

example, autonomous vehicles and digital speed control. The work of the MILL (Mobility in a Living Lab) Project in Dundee as part of “Scotland’s 8th City – the Smart City” ERDF Programme, is of relevance in this space.

The link between health and active travel needs to be promoted and the necessary investment made to ensure people have travel and lifestyle choices with reduced detriment to public health.

We need a different approach to active travel to allow working across administrative boundaries. Multi-modal infrastructure needs to be tied to a change in culture and behaviours and it needs to be acknowledged that such changes might take a considerable time without either incentives or penalties for change.

The issues and approach to rurality needs to be considered. If connectivity is a right and not a choice, then how do policies cater for different groups across varying geographies? Is subsidy an essential part of re-populating a nation? How are these bigger questions feeding into documents like the National Transport Strategy?

If there is a new regional agenda, then how does investment filter out beyond the central corridor? We need a national approach to the growth agenda, a regional agenda that sits within a framework of national collaboration. For example, will incremental gains in a major city be lost in productivity getting to that city?

The Commission needs to consider public safety as one of the key planks of infrastructure provision.

The emergence of new lifestyles with mobility, property and technology being provided as universal services rather than through individual acquisition needs to be part of our longer-term planning. Infrastructure planning needs to respond to the needs of an agile workforce contributing in different ways and in different places.

The public sector needs to remain fleet of foot in relation to its approach to new energy and digital network provision. We need to work with the market, in a cohesive way, to avoid it overtaking us.

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**Jim Valentine, Deputy Chief Executive of Perth and Kinross Council  
on behalf of the Scottish Cities**