

## ROYAL SOCIETY OF ARTS – INCLUSIVE GROWTH COMMISSION

### 1. Introduction

- 1.1 The Royal Society of Arts (RSA) has recently launched an Inclusive Growth Commission designed to understand and identify practical ways to make local economies across the UK more economically inclusive and prosperous. The commission will be an authoritative, independent inquiry that will report in March 2017.
- 1.2 The inquiry will hear from a diverse range of individuals and organisations in cities and town across the UK. Through a combination of formal evidence hearings, seminars, research and citizen engagement, the Commission will seek to make practical recommendations as to how places can create more resilient, dynamic and inclusive local economies.
- 1.3 Individuals, organisations and other interested parties are invited to submit written evidence in response to these key themes and research questions. Written evidence will be accepted from 28<sup>th</sup> April 2016 until 31<sup>st</sup> December 2016.

### 2. Discussion

- 2.1 As part of their programme of evidence collection, the RSA have issued an invitation for all interested parties to share with them relevant data, ideas and comments with regard to the Commission's three main research themes:
- 2.2 **Economy – *More inclusive, productive labour markets***
  - How can we enable as many people as possible to contribute to, and benefit from, local economic success?
  - How can we overcome social, gender, health and other barriers to accessing local labour markets?
  - How might more inclusive economies make places more productive and reduce demand for some public services over the long term?
  - How can we shape cities and neighbourhoods to encourage a more entrepreneurial culture?
- 2.3 **Place – *dynamic, resilient places***
  - What are the characteristics of success at different geographic levels – region, city, neighbourhood – and how do these vary across the UK?
  - How can all places create a viable model for sustainable, dynamic and inclusive place-based growth?
  - How might places within and at the periphery of major urban centres capitalise on the potential of existing devolution deals?
  - What additional powers and flexibilities might be needed to give places the ability to respond more effectively to the complexities of their economic geography?

## **2.4 Governance – *Creating system change***

- How might we re-structure central and local public financing and related systems, so services support each other more effectively and decisions are made with a longer term time horizon in mind?
- What type of metrics for inclusive growth can be developed to support this?
- How can financial and fiscal risks be mitigated in places beyond the major metropolitan areas?
- How will Whitehall and the Devolved Administrations need to adapt?
- What are the barriers to achieving system and culture change?

**2.5** A recent “All on Board” report from the Organisation for Economic Co-Operation and Development (OECD) suggests that, if we had made different economic choices from the early 1980s on, then the UK economy could have been 20% larger, by focusing on the inequality gap at that time, thus delivering a stronger economy, rather than focusing on economic growth in the hope that greater equality might result.

**2.6** Clearly this research is very timely given the focus of the incoming Scottish Government’s manifesto which will translate into a future programme for Government, with an increasing regional focus on delivery of key strategic services to tackle inequalities.

**2.7** Now take for example the delivery of transportation infrastructure and delivery generally in the last 1 or 2 decades. We have seen the increasing disaggregation of strategic transport planning across Scotland, indeed only one passenger transport authority in Scotland exists at present, SPT. Given the expected growth of Edinburgh up to 2050 it could be argued that Edinburgh City-Region should also have an integrated authority for all forms of transport of a strategic scale to ensure prosperity and accessibility into wider North of England labour markets.

**2.8** Not only is an efficient and well-designed transport system crucial for economic purposes, but also to the delivery of many Government social and environmental initiatives and the overall prosperity of all within UK City Region economies. The need to enhance mobility and accessibility to services and opportunities can be seen in a variety of recent Government policies and strategies, even those which do not necessarily have transport as their focus.

**2.9** In this financial context, it is critical therefore that all partners in City Regions continue to focus on outcomes, using our local resources flexibly and collectively in a responsive rather than prescriptive manner, and seek to reduce demand on services by preventative measures and innovate in terms of service delivery.

**2.10** Collaboration in the design and delivery of services moving forward will be critical to tackling these challenges successfully. Including an acceptance that in some forms of public services, intelligent centralisation of services through nationally joined up approaches are the only way forward if we are to continue to deliver best value public services in Scotland. Collaboration is not only important in a financial context, it’s also important in a service resilience

context and continuing to have human resource available. As with the Commission on Strengthening Local Democracy, there is and continues amongst the public sector to be a working assumption, based on a wide body of evidence from across Europe, that local governance and service delivery is best for delivering equitable outcomes.

- 2.11** However, there is also an acceptance that some things can be done at a less local level. Therefore, in the near future I could see a situation where certain public services are delivered in a variety of different regional models to deliver the local outcomes in terms of quality and sense of place and making the most of available resources.
- 2.12** Recent national reviews such as the Community Planning Review and prior to that the Christie Commission on Public Sector Reform have provided a focus and the building blocks for a stronger, more joined up and extensive approach to prevention, early intervention and a focus on local place. This is in addition to the recent work of the Commission on Strengthening Local Democracy with its focus on equality, diversity and environmental justice as key outcomes for local communities.
- 2.13** Undoubtedly, there is a strong need to increase the use of sustainable transport modes meaning, above all, promoting intermodality, technical innovation & the use of cleaner and more efficient systems. Hence, European regions need to undertake the transition towards low carbon & resource efficient transport systems in order to increase mobility, remove major barriers and encourage growth & employment. SEStran intend to utilise the REGIO-MOB project to undertake a review of their Regional Transport Strategy (RTS) and also investigate the potential for greater integration of transport, land-use, community and economic regional planning across the wider Edinburgh/South-East Scotland city region.
- 2.14** A collaborative, well-informed and national approach to Scotland's City-Regions and beyond is essential to delivering prosperity for City-Regions and beyond but it is crucial that a national approach puts local needs and local variation at its heart in order to produce the outcomes for the communities of those regions.
- 2.15** There is a view that the UK needs to be bolder in our pursuit of decentralisation of power towards communities. We need to actively engage and foster more inclusive regional and local design and implementation as necessary building blocks for inclusive economic growth and to eliminate inequality making Scottish Cities socially mobile and prosperous places to live. Given the right powers - the ability to raise more funds locally and regionally, genuine flexibility, asymmetry and subsidiarity - in addition to existing roles and responsibilities, SEStran can help deliver inclusive growth for the South East of Scotland, Scotland and the wider UK.

### **3. Conclusion**

- 3.1** Our Regional Transport Strategy places great importance on connectivity recognising the SEStran area as a key driver of the Scottish Economy.

“Key Business sectors include financial services, tourism, the knowledge

economy, creative industries and retailing, all of which are crucially dependent on the ability of people, goods and ideas to connect easily locally, regionally, nationally and internationally.”

**3.2** It is also recognised in our RTS that accessibility to work, education, health facilities, retail and leisure facilities is crucial in developing equality of opportunity.

**3.3** Therefore SEStran with its emphasis on encouraging the development external links e.g. High Speed Rail and increased accessibility, should respond to the RSA – Inclusive Growth Commission.

#### **4. Recommendation**

**4.1** It is recommended that the Board agrees to SEStran responding to the Royal Society of Arts – Inclusive Growth Commission developing the points discussed above over the course of 2016.

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20<sup>th</sup> May 2016

Policy Implications	Policy implementation
Financial Implications	None
Race Equalities Implications	None
Gender Equalities Implications	None
Disability Equalities Implications	None
Climate Change Implications	None