



The Scottish City Region Deals: A Rural Development Perspective

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CITY-LED REGIONAL DEVELOPMENT AND PERIPHERAL REGIONS
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Objective:

To discuss and assess what City Region Deals can offer to rural areas...

Outline

- A reminder of the history of ideas about U-R policy...
- UK City Regions
- U-R policy in Scotland
- Scotland's City Region Deals, Regional Partnerships, Islands Deal etc
- Reflections on implications for rural development

Two Broad Phases in the Evolution of Ideas and Policy relating to of U-R Interaction:

- Mid 1950s- ? Growth pole theory
- Late 1990's – present. Two strands :
 1. Polycentricity and rural-urban cooperation (DG Regio, OECD)
 2. City Regions (UK)





Phase 1: Growth Poles

- F. Perroux 1955 “Pôles de Croissance”.
- J. Boudeville 1966

“In the light of subsequent experience, however, the strategy can only be judged to have been unsuccessful, at least in the sense that it failed to achieve the primary objectives of policy within the time-interval envisaged...the recent history of regional economic planning in many parts of the world is littered with examples of growthpole strategies having failed or having been prematurely abandoned.”

Parr 1999 p1196

Why did it fall out of Fashion?

- Spread effects did not materialise.
- Changing transport, mobility and communications. (Euclidean → Relational space)
- Changing nature of economic activity. (Resource based/manufacturing → Services)
- Changing settlement geography, changing functions of cities and towns. (Central places → Specialised/niche)



Phase 2 (EU Perspective): Polycentricity and Urban-Rural Cooperation

- **ESDP** 1999 – Section 3.2 “Polycentric Spatial Development and a New Urban-Rural Relationship”.
 - **Polycentricity** originally a “top-down” concept to reduce the dominance of the European core area – spread benefits to “secondary poles”...
 - **Cooperation** the keyword, but definition elusive.
- **SPESP and ESPON** intended to provide evidence base for practical implementation of ESDP.
- **INTERREG III** – U-R cooperation “remains rather implicit”.
- **Territorial Agenda** (2007) – reiterated call for U-R cooperation, but no clearer on theoretical basis.
- **DG Regio Seminar Series** 2008-09 – recognised complexity and importance of Non-Euclidean space...but still theoretical vacuum.
- **Territorial Agenda 2020** (2011)
- **RURBAN project** (EC/OECD) 2010-13
- **OECD Report** – Rural-Urban Partnerships
- European Parliament Briefing “**Bridging the rural-urban divide**” 2016





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Phase 2: (UK) City Deals: Concept and Practice

Our Cities are back (Core cities Working Group- ODPM 2004)

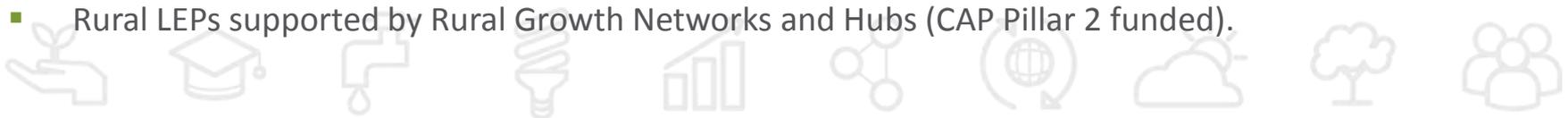
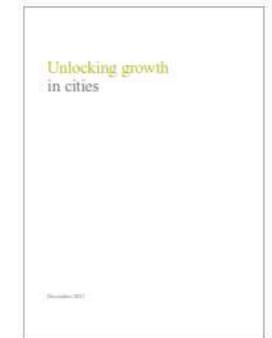
- Rationale: Post Fordist Global division of labour... Knowledge Economy cities to compete with BRIC
- *“If you can improve the economic performance of cities this will have a major impact upon the economy of the entire region” but “...the research evidence of the actual processes by which greater competitiveness within cities is translated into advantages throughout the region is still limited...”*

Unlocking Growth in Cities (Cabinet Office 2011)

- *“Cities are engines of growth and they will be critical to our economic recovery.”*
- *“...a fundamental shift in the relationship between national government and cities – starting with a genuine transfer of power.... Our ambition is to create powerful, innovative cities that are able to shape their economic destinies, with civic and private sector leaders freed to look outwards to businesses and communities rather than upwards to central government for solutions.”*

By 2014 26 City Deals established

- A combination of (a) devolution of power to public/private partnerships, (b) coherent investments in infrastructure, training and support for enterprise, and (c) and a form of “smart specialisation” strategy.
- But any kind of U-R interaction policy missing from most.
- 2014 Local Enterprise Partnerships (LEPs) introduced to fill in the gaps between CDs
- Rural LEPs supported by Rural Growth Networks and Hubs (CAP Pillar 2 funded).



Rural-Urban in Scotland's Rural Policy Context

2000 **Rural Scotland: A New Approach** (U-R not mentioned)

2003 **Rural Scotland: Taking Stock** (Mainstreaming advocated)

2007 **Rural Scotland: Better Still, Naturally** (Serious consideration of U-R policy, but no specific recommendations)

2010 **Speak up for rural Scotland** (Rural Development Council)

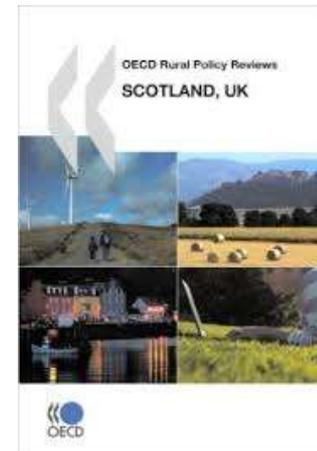
2011 **Our Rural Future** (Response from SG - U-R policy dropped)

2018 **NCRA** – Proposed Rural Economic Strategy (again U-R policy does not feature so far)

2008 OECD Review of RD policy in Scotland

Main criticisms:

- Cluttered institutional landscape
- Too sectoral – not territorial/place based



Since then SRDP + Mainstreaming = classic policy silo effect, and absence of advocate for the wider rural economy (NCRA?)



City Region Deals in Scotland

Scotland's initial response to city deals...

Scotland's Cities Delivering for Scotland (SG 2011)

- *“There is a shared understanding amongst policy makers and academics internationally that when city regions are working effectively they have the potential to lift economic performance and well-being at a national level.”*
- Scottish Cities Alliance



But then UK City Deals came over the border....

Glasgow and Clyde Valley City Deal (2014)

Aberdeen, (2016)

Inverness and Highland, (2016)

Edinburgh and SE Scotland, (2018)

Tay Cities (2018?)

Stirling and Clackmannanshire (2018?)



Some key characteristics of Scotland's City Region Deals

- They are created under UK legislation (not devolved) – complex and slow process – UK Treasury holds the cards...
- Scottish Government (chooses to) match-fund UK Govt investment
- UK Treasury careful to restrict UK funding to *reserved* matters - SG funding for *devolved* matters
- Scottish City Region Deals lack the emphasis on boosting the powers of city administrations (mayors etc)
- Inclusive Growth rather than National Competitiveness
- Criticism of deal development as a “top-down” –project selection not very transparent
- In terms of projects the deals are a mix of infrastructure, triple-helix technology, and (public) service investments





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Inclusive Growth...

“The introduction of Inclusive Growth as a central component of Scotland’s economic strategy set out the case for ensuring an economic agenda that gives prominence to driving economic growth and productivity across all of Scotland’s regions, places and communities.... This notion of inclusive growth has prompted the Scottish Government to consider a more holistic approach to economic development, requiring a sharper focus on actions that support and maximise regional and local economic development opportunities.

The Government’s inclusive growth ambition seeks to:

- *Support strong and productive inclusive economic growth across Scotland.*
- *Maximise the opportunities of places that have been disadvantaged by adverse impacts of economic change.*
- *Spread the benefits of growth more evenly within and across different parts of Scotland.*
- *Ensure economic and socially sustainable communities”*

Scotlands Economic Strategy (2015 p6)



Beyond City Region Deals...

Towards a **Regional (Economic) Partnership** network

... in order to *“deliver improved inclusive economic outcomes across their regional economies, we see a need to support and encourage the development of regional economic partnerships which, building and expanding on the experiences, structures and learning from City Deals, are self-assembled and tailored to the bespoke requirements of each region.”*

(2017 Enterprise and Skills Review Phase 2)

From City Region Deal to Regional Growth Deals:-

Ayrshire, Moray, Borderlands, **Islands** (Islands Bill)

Regional Partnerships (City Region and Growth Deals) to use a standard diagnostic/monitoring tool – **“Inclusive Growth Regional Level Framework”**
– a regional version of the National Performance Framework?



The Islands Deal

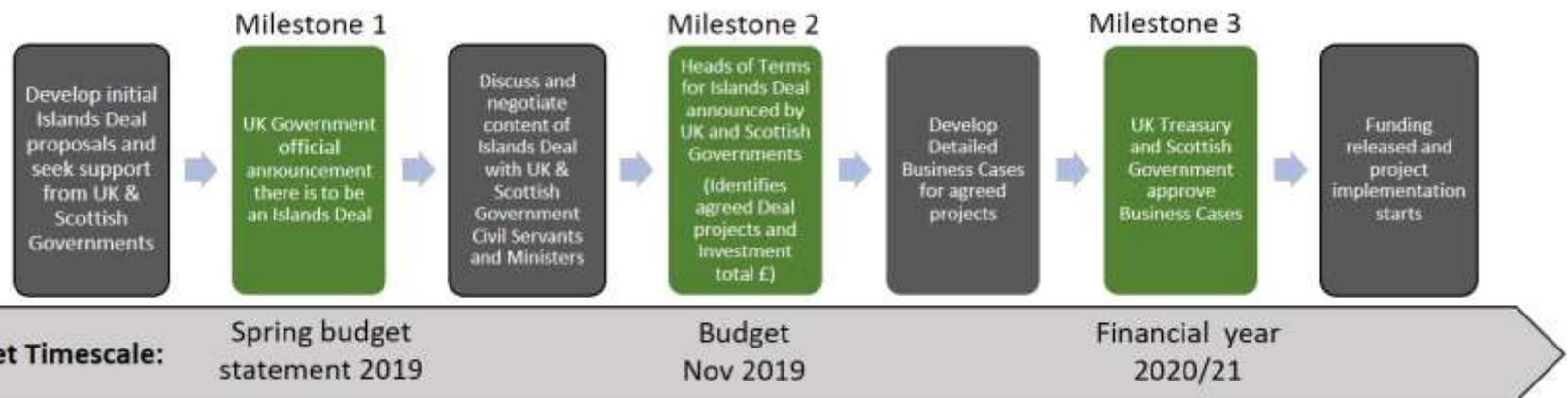


Thematic Collaborative Proposals

- 1 - Leading the way to a Low Carbon Future
- 2 - World Class Tourist Destinations
- 3 - Digital Islands
- 4 - Creative Islands
- 5 - Future Fit Housing
- 6 - Healthy Ageing and Remote Health and Care Delivery
- 7 - Improving Primary Production and Increasing Local Value Added
- 8 - Islands Future Skills
- 9 - Talent Attraction and Retention

Projects specific to one Island area only

- O6 - Research and Academic Innovation Centre - (Orkney)
- O10 - International (Northern Britain and European) LNG Distribution Hub Orkney
- S3 - Knab regeneration (Shetland)
- S9 - Ladies Drive Industrial Development (Shetland)
- S10 - Ultra Deep Water Decommissioning (Shetland)
- W7 - Stornoway Port Development (Western Isles)
- W8 - SpacePort 1 (Western Isles)
- W9 - Inter-Island fixed links Western Isles
- W10 - Western Isles Spinal Route





Some Reflections....

- UK City Deal rationale seems to be more about national/regional competitiveness than benefits for rural areas
- The (hard) evidence for rural spread effects from City (Region) Deals is meagre
- Both in UK and in Scotland separate approaches/structures have been developed for rural (remote) areas
- Current rural development context in Scotland is cluttered and lacks coherence – (SRDP + “mainstreaming”)
- How the growth deals developing for rural areas of Scotland will fit into the Post Brexit rural development landscape remains to be seen
- Dominant rationale relates more to “Smart Specialisation” than to any kind of U-R cooperation/interaction or spread effect concept





Thank you for your attention

To find out more: https://www.sruc.ac.uk/downloads/file/3809/342_inter-dependencies_between_rural_areas_small_towns_and_urban_areas

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