

# CITY REGION DEALS: OPPORTUNITY OR THREAT FOR SUSTAINABLE TRANSPORT?

**Members' Policy Briefing**

**January 2018**

## **Introduction**

In early January 2018, the Local Government and Communities (LGC) Committee published its report on the City Regions Deals. The report - drawing on evidence gathered last year from various organisations, including Transform Scotland (see links at end) - raised some serious issues with the City Region Deals. City Region Deals will have a significant impact on transport across the country; whether they will solve our transport problems (e.g. congestion, air pollution) or make them worse remains to be seen. We're going to take a look at the City Region Deals process so far and how they might affect the future of sustainable transport in Scotland.

## **Background to City Region Deals**

The City Deals were introduced by the UK Government in 2011 as a means of encouraging economic growth in the UK's cities and their surrounding areas. Designed to allow greater economic autonomy for cities and move decision-making away from the UK Government, the Deals have largely been welcomed by local authorities across the country.

In Scotland, City Deals are commonly referred to as City Region Deals (hereafter CRD), as they have tended to include important surrounding areas outwith the cities (e.g. commuter towns). Scotland's first CRD was the Glasgow and Clyde CRD, which was finalised in 2014. Since then, three more CRDs have followed for Aberdeen, Inverness and Edinburgh, with Stirling and the Tay Cities (Dundee, Perth, north Fife and Angus) also lining up bids.

## **Uncertainty over CRDs**

Despite the clear potential that CRDs offer, there remains a huge degree of uncertainty regarding the whole process for CRDs and what real impact the Deals will have for local economies. As we pointed out in our evidence to the LGC Committee, there remains little information on how they are agreed, how increased local funding will be unlocked, or how private investment will be encouraged. It is also unclear how much economic autonomy will really be delivered for local authorities, and which level of government (e.g. UK/ Scottish Government, local authorities) have the final say on where investment is prioritised.

From what we have seen, it appears that local residents and businesses have not been sufficiently informed or involved in the development of CRDs. They remain shrouded in secrecy on the basis of being sensitive or confidential, at least until they are agreed. Indeed, even after agreement of Deals, information remains vague and non-specific in many cases.

We were pleased to see the Local Government and Communities Committee's report echo a number of our concerns with the CRD process. Among other things, the report concluded that:

- There is a mismatch between the objectives of local government, and the UK and Scottish governments
- Further clarification is needed on whether CRDs should focus on 'pure economic growth' or 'inclusive growth'
- Project selection is too opaque, with little information available publicly
- Only the Glasgow CRD is currently subject to the 'Gateway Review' process, and it is not clear what process will be followed for the other CRDs
- All projects should be subject to a comprehensive equality impact assessment and a sustainability audit, both of which should be published.

## Opportunity or threat to sustainable transport?

The lack of transparency over the CRDs is particularly evident when it comes to transport infrastructure investment. From the CRDs agreed so far, it appears that transport projects have largely focused on road building and projects incentivising the use of private cars. For example, the LGC Committee's report points out that the Edinburgh CRD saw the Sheriffhall Roundabout project receive significant investment, whilst the Levenmouth Rail Link - a project which would deliver significant benefits in Fife and beyond - was not selected. This raises serious questions about the criteria used for project selection. Whilst these criteria are not known, it's clear that factors such as carbon emissions, congestion alleviation and air quality have not been given due consideration when selecting transport projects. It's interesting to note that CEC Council Leader Cllr Adam McVey, in his evidence to the Committee, stated that the tram extension was not permitted by either the UK or Scottish Government to be part of the Edinburgh CRD, despite its clear potential for wider economic benefits.

Other CRDs have also lacked any real detail and have largely avoided making specific commitments. For example, the Aberdeen CRD includes £200 million to improve journey times and increase capacity on key links between Aberdeen and the Central Belt; however, it is not clear what this means in practice, and whether this will deliver improvements for the rail network or will instead focus on yet more road infrastructure. Meanwhile, the Glasgow CRD includes a claim that it will "improve public transport over the next 10-20 years" and address the "weaknesses in the area's transport". What this means in terms of specific projects, investment in public transport prioritisation or city centre development remains almost entirely unclear.

## Time to put sustainable transport at the heart of the CRDs

So what needs to happen to make sure that the CRDs don't simply condemn our cities to a future of private car use, congestion, air pollution and carbon emissions? For a start, all projects receiving funding should be subject to a comprehensive sustainability and equalities audit. We were delighted to see the Local Government Committee recommend this in their report; indeed, if this had been done so far, it's likely that public transport, walking and cycling would have been prioritised ahead of yet more road building. However, it's vital that these audits don't repeat the flawed methodology for carbon accounting used in the Scottish Budget -- which claims that building new roads results in less carbon emissions than building new railways!

Secondly, all CRDs need to be subject to a review process to ensure that local authorities do not find themselves in a position where they are investing in transport projects which they know to be damaging to their own city. The Glasgow CRD is already subject to a 'Gateway Review' process, which will allow opportunity for investments to be re-assessed. However, the UK and Scottish Governments should now commit to offering the same review process for all future CRDs. Despite the disappointment of the Edinburgh CRD for sustainable transport, there have been signs of hope that the Scottish Government are

willing to listen to proposals for other transport projects, such as the Levenmouth Rail Link. What the CRDs will bring for sustainable transport in Scotland remains to be seen.

Our oral evidence to the LGC Committee can be found here: <http://transformscotland.org.uk/blog/2017/11/01/parliaments-local-government-committee-hears-transforms-views-on-city-deals/>

Our written evidence to the LGC Committee can be found here: <http://transformscotland.org.uk/wp/wp-content/uploads/2017/05/Transform-Scotland-LGC-Committee-City-Region-Deals-evidence-2017-05-02.pdf>

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## Scotland's alliance for sustainable transport

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We campaign for walking, cycling and public transport to be the easiest and most affordable options for everyone. Our diverse membership brings together public, private and third sector organisations from across Scotland. We are a registered Scottish charity (SC041516).