

SUBMITTING EVIDENCE TO A SCOTTISH PARLIAMENT COMMITTEE
DATA PROTECTION FORM

| | |
|--|--|
| Name: | Gavin Mowat |
| Date: | 07/01/19 |
| Organisation: (if required) | Scottish Land & Estates |
| Topic of submission: | South of Scotland Enterprise Agency |

I have read and understood the privacy notice about submitting evidence to a Committee.

I am happy for my name, or that of my organisation, to be on the submission, for it to be published on the Scottish Parliament website, mentioned in any Committee report and form part of the public record.

I understand I will be added to the contact list to receive updates from the Committee on this and other pieces of work. I understand I can unsubscribe at any time.

Non-standard submissions

Occasionally, the Committee may agree to accept submissions in a non-standard format. Tick the box below if you would like someone from the clerking team to get in touch with you about submitting anonymously or for your submission to be considered but not published. It is for the Committee to take the final decision on whether you can submit in this way.

I would like to request that my submission be processed in a non-standard way.

RURAL ECONOMY AND CONNECTIVITY COMMITTEE

SOUTH OF SCOTLAND ENTERPRISE BILL

SUBMISSION FROM SCOTTISH LAND & ESTATES

Scottish Land and Estates (SLE) welcomes the opportunity to respond to the Committee's call for evidence into the South of Scotland Enterprise Bill. As with our previous consultation response to the initial proposals, we continue to be supportive of the proposed agency as a means of driving sustainable economic growth in the south of Scotland. We have attached a copy of our initial consultation response to provide greater detail.

Key points

- SLE is supportive of the creation of a new enterprise agency for the south of Scotland which is primarily focused on delivering sustainable economic growth.
- The agency should act as an enabler to clear roadblocks that deter investment into the rural economy.
- 'Traditional industries' of the south such as forestry, farming and fishing should be supported in delivering value added productivity as a means of retaining and attracting skilled labour and revitalising local economies.
- The agency should help enable diversification of rural businesses, supporting them to build resilience in the face of external uncertainties such as Brexit.
- The agency should be empowered to support housing development as this is a keystone of rural development. It also has many knock-on benefits in terms of benefiting the construction industry, boosting employment and helping meet wider aims of making the area an attractive place to live.
- A forward thinking and enabling planning policy will be crucial in helping deliver the aims of the agency, so it follows that the agency takes an active role in the planning system.

Proposals for a new agency

We agree with the proposal to create a new agency for the south of Scotland. SLE considers the traditional land-based sectors to be the bedrock of the economy of the South and we are of the view that creating a new agency is an opportunity to build on the success of those industries, enabling the economy of the South as a whole to thrive. One way to achieve this could be by adding value to locally produced products such as milk and timber by supporting and enabling the development of facilities to make ice cream or sheds, for example.

SLE members are particularly keen to see a new agency which has a positive, enabling attitude to growing and supporting business in the south of Scotland. We consider that the agency should be flexible in its approach to ensure that businesses are equipped to meet new challenges and changing demands, and delivery should not be hindered by overly burdensome bureaucracy. Supporting housing and infrastructure (digital and transport)

development as a means of diversifying rural businesses and developing a sustainable economy are also key areas where our members consider the new agency could be of benefit.

For SLE members the agency is an opportunity to simplify the current economic development support landscape by consolidating funding under one agency. However, this does not mean that the south should be cut off from central services, skills and experiences that exist in the rest of the country.

Constitution, purposes, powers and duties

SLE is broadly in agreement with the proposals for the body's constitution, purposes, powers and duties. Our previous consultation response highlights in more detail the important points in relation to this question, but we wish to reiterate the following key themes:

- Under the 'Aims' of the agency SLE would still like to see the inclusion of direct reference to adding value to products locally. This could be included under section 5 (2)(e) relating to promoting commercial and industrial aims.
- Perhaps also for inclusion in its 'Aims' should be that the agency should act as an enabler to clear roadblocks that deter investment in the rural sector.
- The agency, as part of its development, should achieve a clear understanding of the aims and challenges facing the indigenous industries of south Scotland, for example, farming, forestry, hospitality, tourism etc.
- Greater emphasis should be placed on the promotion of tourism in the south of Scotland which according to Visit Scotland's regional [research and insights](#) attracted almost 1 million visitors in 2017 spending more than £200 million. Developing the tourism industry (along with other traditional land-based industries) in the area should be a principle purpose written in to the Enterprise's action plan.
- If the agency is to become an effective and practical supporter of these local industries, it should be within its ability to make purposeful representations when legislation is introduced at Holyrood and Westminster. For example, if the agency believes that the introduction of Sporting Rates would be economically detrimental, it should say so. Similarly, if it believes that the Scottish tax system compares unfavourably with England, it should make its voice heard.
- The board should be staffed with a majority drawn from people with entrepreneurial and practical experience of the local economy.

- The budget of the organisation should be relative to the budget of HIE in terms of area and population and the majority of finances should be reserved for direct support rather than operational costs.

Other inclusions/exclusions

As we have outlined above, we consider it would be valuable to include reference to the agency having a role in enabling more value-added productivity locally. Examples might include using local timber to produce holiday huts or using local grown crops to produce locally-made cereals to be sold in local farm shops etc. This would stimulate demand for skilled labour in the area, help diversify local businesses and revitalise local economies.

We consider that housing is an integral part of the economy not just of the south of Scotland but the whole country. To date our members have been frustrated that economic agencies generally do not see housing as part of their remit and therefore do not usually give financial assistance. SLE is of the view that housing should be included within the remit of the new agency for the following reasons:

- Housing development is an economic activity in its own right. Skilled trades such as plumbing, electrical wiring, joinery and slating/roofing etc., are created/sustained from such development, helping support a sustainable rural economy.
- There is a crucial requirement for joined up thinking to overcome barriers to rural housing development. The agency has the opportunity to play a key role in helping developers overcome these barriers created by utilities companies and economic conditions which often make affordable rural housing projects unviable.
- Productivity in the Scottish construction industry (of which housing is an important sub-sector) is low and needs to be improved.
- Part of the solution to attracting or retaining a skilled workforce and young people to the area is the availability of affordable housing.
- If communities are to play a greater role in their future sustainability then affordable housing must be part of that.
- Ultimately, if a holistic approach is to be taken that looks at barriers to growth, and new housing is seen as a barrier, then it is logical that delivery of housing is seen as part of the solution.

Crucial to the success of any area is a long-term place-based approach delivered through an enabling planning system. Well planned places can better suit the business, social and housing needs and aspirations of the local community helping to attract and retain jobs and

young people. SLE therefore considers it important for the agency to have a role in the planning system. This could be as a statutory consultee on major/national decisions that could impact on the aims of the organisation, such as a decision to locate a significant employer in the area or to build a major new transport link. What should be considered as a minimum is for the agency to make appropriate representations to the two local authority local development plans – contributing at this stage will be particularly important if the local development plan cycle moves to 10 years as is currently proposed under the Planning (Scotland) Bill. Of further strategic significance in the context of the new Planning Bill is the possibility of each local authority having a chief planning officer. If this becomes a reality, the new agency should be in a position to engage with this person (in both local authorities) at a strategic level so that both authorities understand, at the highest level, what is required from planning to help deliver the agencies objectives.

SLE members consider it might be appropriate to spell out the new agency's relationship with other agencies (in terms of remit) such as Scottish Enterprise, Borderlands Initiative etc., on the face of the Bill. This would avoid confusion and any unnecessary duplication, while at the same time highlight the importance of collaborative working in delivering its aims.

Economic benchmarks could be built in to the new organisation so that it has clear objectives and measures of performance. Average earnings, employment and unemployment rates, investment levels and labour productivity are some examples that could be used.

SLE does not see the need for compulsory purchase powers to be included in the Bill. We consider that the policy landscape has changed significantly since the Enterprise and New Towns (Scotland) Act 1990 that created Highlands and Islands Enterprise (HIE) and which included such powers. For example, we now have the Community Right to Buy under the Land Reform (Scotland) Act 2003, the Right to Buy Abandoned, Neglected or Detrimental Land under the Land Reform 2016 Act etc., and local authorities (and other bodies such as Transport Scotland) already have compulsory purchase powers under a variety of legislation. In addition, while giving evidence at the Rural Economy and Connectivity Committee HIE and Scottish Enterprise stated that neither had actually used their compulsory purchase powers. SLE would prefer to see the new agency focus on delivering its aims through effective partnership working by building productive and positive relationships with local stakeholders.