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**City Region Deals and Regional Growth Deals: Social Enterprise Scotland Response**

**November 2024**

**Consultation Question 1: How well is devolved decision-making working in practice? To what extent do local stakeholders, businesses and communities feel they have a stake in deals, and do projects selected address local priorities?**

For our own consultation process we sent out an open call to our social enterprise members for any views on City Region and Regional Growth Deals, as well as contacting relevant local networks and hosting one-to-one meetings and an open webinar.

Some social enterprises and local support bodies have been closely involved with their city region or growth deal while many others have not had the opportunity to take a meaningful role in their development.

There seems to be no consistent picture across Scotland, it varies within each region. In some areas there is a high level of interaction between social enterprises and community groups with their regional deal and in some areas this engagement is absent.

Learning could be achieved by identifying those areas in which there is a high level of engagement and practical benefit e.g. Edinburgh City Region Deal.

It's worth a review of the processes designed to identify priority projects within each deal, could these be improved and democratised?

As a general point, similar to other policy initiatives, there is a fairly low level of direct public involvement and awareness.

As a broader point we should question whether the city region approach itself is the best way forward for economic and social development.

While we certainly appreciate that Scotland's cities are huge economic drivers, it is perhaps inevitable that benefits are focused mainly on the city in question and not the wider region.

The feedback we received from some local organisations outwith city boundaries is that they felt left out of the process and that the city, and the high levels of engagement with local organisations in the city, were not replicated in the other partner local authority areas.

**Consultation Question 2: To what extent have projects been scoped years before funding is allocated? What have the challenges been where this has happened?**

We don’t have specific examples, however, in the current landscape of funding cuts, public sector budgetary restrictions and the cost of living, it’s imperative that City Region Deals and any similar large investments are of direct economic and social benefit to local communities.

Local people, social enterprises and community organisations must not just be consulted, but their views fully taken into account, when deciding which projects are a priority, particularly where projects are agreed before funding is allocated.

**Consultation Question 3: How do the aims of the deals align with other economic development policy in Scotland?**

There does need to be better alignment between economic strategies and policies at both local and national levels.

Since City Region and Growth Deals were originally instituted a lot has happened in Scotland's economy.

The now familiar economic impacts of government lockdowns as a response to a pandemic, the UK withdrawal from the European Union, war and inflation continue to be of huge, negative economic consequence.

In part, as a response to this, we've had the Scottish Government Economic Transformation strategy and the related report to increase the number of inclusive, democratic business models (IDBMs), the Social Enterprise Strategy and Action Plans, the National Performance Framework (NPF), the wellbeing economy approach and now the advent of local Community Wealth Building.

There must be a review of how all these overlapping initiatives align together in a common vision and strategy for Scotland's economy.

**Consultation Question 4: Since the first deals were signed, there is now an expanded economic development landscape. A climate emergency has been declared and the Scottish National Investment Bank and the South of Scotland Enterprise have been established. How has this impacted on deals?**

See answer 3. We have no informed view on this specific question.

**Consultation Question 5: How is the economic impact of deals being measured?**

As a general point, for City Region Deals, as well as for all other major projects, we must ensure that measurements do not just take into account traditional economic measures such as GDP.

These narrow measures do not adequately measure every day quality of life and the tangible economic and social impacts on local communities.

We should ensure that all significant investments are measured against other, more useful real-world tools, including the National Performance Framework (NPF).

**Consultation Question 6: How are lessons from earlier deals informing newer deals?**

We have no informed view on this specific question.

**Consultation Question 7: To what extent have you been made aware of projects planned as part of your area's city region deal?**

We are responding to this consultation as a national representative organisation.

**Consultation Question 8: To what extent has there been clarity about work opportunities and timelines to allow businesses to be ready to bid for work?**

We believe that these approaches vary throughout Scotland.

There should be improved learning and sharing of best practice between different regions about how best to open up contract opportunities to social enterprises, other businesses and community and voluntary groups.

**Consultation Question 9: What experience does your business have of engaging with the city region deal in your area?**

We are responding to this consultation as a national representative organisation.

**Consultation Question 10: If you have not bid for or secured any work as part of the city region deal, can you tell us why not?**

We are responding to this consultation as a national representative organisation.

**Consultation Question 11: To what extent have recent pressures on public finances and price inflation impacted any contracts you have secured as part of the city region deal?**

We are responding to this consultation as a national representative organisation.

Please see Question 2 for the general point about the financial pressures faced by social enterprises and similar organisations.

**Consultation Question 12: To what extent is there support to ensure that local businesses are able to bid for and secure work to maximise the local economic impact of public spending through the city region deals?**

A similar answer to question 8 i.e. that these approaches vary throughout Scotland and there should be improved learning and sharing of best practice between different regions about how best to open up contract opportunities to social enterprises, other businesses and community and voluntary groups.