City Region and Growth Deals: Growing Equality for Scotland?
Van Der Zwet, Arno; Pautz, Hartwig; Dempsey, Damian; Clark, Julie; Mamattah, Sophie

Published: 01/01/2023

Link to publication on the UWS Academic Portal

Citation for published version (APA):
City Region and Growth Deals: Growing Equality for Scotland?

Arno van der Zwet, Hartwig Pautz, Damian Dempsey, Julie Clark and Sophie Mamattah

January 2023
The UWS-Oxfam Partnership: ‘For a more equitable and sustainable Scotland’

The UWS-Oxfam Partnership is a formally established relationship between the two organisations, underpinned by a Memorandum of Understanding. The Partnership emerged in 2011 as a result of prior collaborative work between UWS academics and Oxfam Scotland and its community partner organisations, revolving around the development of Oxfam’s anti-poverty advocacy and campaigning in Scotland. The Partnership has comprised:

• A Research and Knowledge Exchange linking UWS academics, Oxfam Scotland and community organisations in collaborative projects;
• The UWS-Oxfam Policy Forum, which brings all of these partners together with a broad range of external organisations from across all sectors of Scottish society, to discuss key questions and to inform understanding and engagement with both existing and emergent issues;
• A series of Collaborative Research Reports, available from the Partnership’s website - www.uwsoxfampartnership.org.uk.

About the authors
Arno van der Zwet is Professor of European Governance at the University of the West of Scotland.
Hartwig Pautz is Senior Lecturer in Social Sciences at the University of the West of Scotland.
Damian Dempsey is a doctoral student at the University of the West of Scotland.
Julie Clark is Senior Lecturer in Sociology at the University of the West of Scotland.
Sophie Mamattah is Research Assistant at the University of the West of Scotland.

About the editors
Hartwig Pautz is Senior Lecturer in Social Sciences at the University of the West of Scotland.
Chloe Maclean is Lecturer in Sociology at the University of the West of Scotland.
Jamie Livingstone is Head of Oxfam Scotland.

Acknowledgments
We would like to thank our interviewees for taking the time to meet us. We would also like to thank the research report series editors for their insightful comments on the draft report and their help in getting it published. Last but not least, we would like to thank Printing Services at UWS for their work on the report.
# Contents

Executive summary ......................................................................................................................... 4

1. Introduction .......................................................................................................................................................... 6

2. City Region Deals and Growth Deals - partnerships and governance structures ........................................ 9

3. Making the deals - partnerships and influence .......................................................................................... 14

4. Equality and inclusiveness in the deals - challenges and opportunities ...................................................... 18

5. Monitoring, building capacity, and ‘cross-deal learning’ ............................................................................ 23

6. Conclusion - are the deals ‘growing equality’? .............................................................................................. 28

7. Key learnings for future policy and practice ............................................................................................... 31

References ......................................................................................................................................................... 32
Executive summary

The project
City Region Deals (CRDs) and Growth Deals are arrangements between the UK Government, the Scottish Government, local governments, and (private, public or third sector) local stakeholders that seek to pool resources and expertise in bespoke ‘packages’ tailored towards defined geographical areas and designed to provide funding for specific projects. Deals are envisaged to last for between 10 and 20 years. They are, in essence, vehicles to promote economic development and growth. Between 2011 and 2019, the UK Government committed about £2.3 billion to 32 City Region Deals or Growth Deals across the UK. Further financial contributions have come from participating partners. By 2020, for Scotland a total of £5.2 billion had been committed by all partners involved, and by 2022, eleven deals had been agreed.

In Scotland, CRDs and Growth Deals are expected to explicitly engage with the Scottish Government’s agenda on ‘inclusive growth’. This is in contrast, at least on the discursive level, to the UK Government’s focus on growth as more ‘traditionally’ understood and measured in gross domestic product (GDP). In that, CRDs and Growth Deals arguably have at least the potential to be a socially progressive force if they can proactively address inequalities and exclusions whilst also taking into account the impact of economic growth on the environment and on climate change.

This report examines whether, in Scotland, the potential of the deals to be a progressive force has been realised with regards to the themes of openness, partnership and inclusivity both during the early development phases of the deals and in the more concrete project-oriented phases thereafter. The report discusses the extent to which the making of the various CRDs and Growth Deals has included a wide range of communities, whether those who were involved in the deal-making processes considered equality and inclusion issues, and whether equality impacts were actively monitored.

The report is underpinned by the analysis of publicly available CRD and Growth Deal documents – in particular the ‘heads of terms’ agreed for each deal by local stakeholders, the Scottish Government and the UK Government – and by data gleaned from eighteen interviews, conducted in 2018, with people involved in the making of the seven deals scrutinised in this report.

Findings
City Region Deals and Growth Deals have become an established feature of the urban and regional development agenda in Scotland and have a considerable long-term significance in terms of the investment and the projects that come with them.

One of the key issues in relation to whether equality issues are represented in the deals is that of partnership and the influence of different stakeholders in the design and deal-making process. The research finds that the design process for the CRDs and Growth Deals was, in many ways, ‘top-down’ and often used existing public consultation mechanisms which were not always suitable for the novel instrument of the CRD or Growth Deal.

There is an impression that what interviewees described as the ‘secretive’ nature of the early – and crucial – deal design stage hampered the inclusion of third sector stakeholders concerned with equality, poverty and inclusion issues. The private sector was better represented in the design process, and there was a close working partnership between local enterprises and government stakeholders.

There is some indication that those in charge of deal-making and implementation did not fully or always include third sector organisations, including social enterprises, as contributors to (inclusive) growth because they were seen as undertakings that ‘cost (public) money’ rather than generate it.

Nevertheless, the report shows that local stakeholders are interested in ‘building in’ equalities and inequalities concerns within the wider economic growth agenda and that they are very aware of existing inequalities in Scotland, with poverty and social exclusion being the most readily understood dimensions of this. However, the report shows that the deals have not always been conceived with poverty, exclusion and inequalities in mind, at least not in the initial phase of the deal-making process.
Private sector involvement in the deals was seen, by the interviewees, as an asset in terms of securing a robust economic framework for investment coming through the deals, but also as supporting social inclusion by improving employment prospects and benefitting relatively disadvantaged places. Employability was also understood, by many, to be at the core of ‘inclusive growth’.

The value of diverse voices early in the deal-making process seems to have been more recognised in the more recent deals, compared to the early ones. However, the extent to which this has led to a meaningful shift in terms of the type of projects and activities that are supported remains to be scrutinised. Encouragingly, it appears as if efforts to re-interpret and re-design some of the CRDs and Growth Deals in the period since the primary research for this report was undertaken, has - at least to some extent - led to more diverse voices being more strongly integrated now though the impact of this will require further research.

There is no uniform monitoring system for the deals, and their bespoke nature would make it difficult to establish one. This means that the overall impact of the deals on equality and inclusion is difficult to determine. Moreover, deals are not obliged to use specific indicators, meaning that there is the potential for equality issues not to be actively monitored or reported.

**Key learnings for future policy and practice**

Some key learnings for future policy and practice flow from the analysis presented in this report. It is hoped these will inform the ongoing delivery of the CRDs and Growth Deals - as well as any future similar economic development programme - to ensure they are better equipped to meet the goal of ‘growing equality in Scotland’ in the context of the crises since 2020. All learnings are aimed at ensuring that the pursuit of economic growth through vehicles such as CRDs and Growth Deals actively addresses inequalities and exclusions.

- Social inclusion and considerations around poverty and inequalities should be integrated more strongly and explicitly into deal-making processes and projects whilst they should also address the need for a fast transition to a ‘Net Zero Economy’;

- The delivery of existing deals, as well as any re-negotiations of these deals, should be fully transparent in order to allow early scrutiny and provide opportunities for a wider set of stakeholders to engage in their development and subsequent delivery, this could include a publicly available register of those who consulted on the deals;

- Third sector actors should be considered as key to both the delivery of existing deals and, importantly, in the early development stages of any future deals and projects within them;

- Individuals directly affected by inequalities should be involved in project delivery, also through participatory frameworks;

- A robust monitoring and evaluation framework – possibly directly linked to the Scottish Government’s National Outcomes, as embedded in the Scottish Government’s National Performance Framework and mapped to the UN’s Sustainable Development Goals – is required to capture the impact of the deals on equalities and social inclusion within and across the territories they cover;

- Any future economic development instrument similar to CRDs or Growth Deals should include a comprehensive overarching framework that sets out equality strategies and monitoring indicators; this includes instruments around the UK Government’s ‘Levelling Up’ agenda and around, for example the ‘freeport’ initiative, the COVID-19 recovery agenda;

- In the future, inter-deal competition should be minimised, whilst opportunities for cross-deal learning should be facilitated in order to promote the sharing of best practice.
1. Introduction

City Deals were first introduced in the United Kingdom (UK) in 2011 as ‘bespoke packages of funding and decision-making powers’ (Ward 2020, 3) with the purpose of fostering local and regional development through economic growth. They are individually negotiated for each geographical ‘deal area’, with the UK Government, devolved governments, and local authorities being the key players in these discussions. Private businesses, further public bodies, and third sector organisations, present in the deal area, usually join the partnerships to agree shared objectives and projects. Although primarily geared towards capital developments, deals can cover a range of aspects. Among these are: infrastructure investment (including broadband); site reclamation; commercial developments; job creation projects; employability and labour market initiatives; skills and apprenticeship development; and small and medium size enterprise funding. The deals can also involve funding for grants and loans, requests for regulatory change, or the relocation of public agencies to facilitate the growth of ‘clusters’ of related businesses. Between 2011 and 2019, the UK Government committed about £2.3 billion to 32 City Deal (or City Region Deal or Growth Deal) programmes across the UK with further contributions coming from participating partners. By 2020, for Scotland a total of £5.2 billion had been committed by all partners involved (Audit Scotland 2020, 5).

Despite the name, most deals across the UK incorporate a regional perspective. In Scotland, the deals have always been referred to as ‘City Region Deals’ (CRDs) (Burn-Murdoch 2017) while, across the whole of the UK, especially the more recent deals now feature the term ‘region’, too. Over the past few years, the UK and Scottish governments, together with local governments, have agreed a number of ‘Regional Growth Deals’ in order to ensure complete territorial coverage of Scotland with some form of deal (Scottish Government 2019a). These Growth Deals were also a reaction to the criticism that CRDs were still often too ‘city-centric’ (Clelland 2020).

The first deal in Scotland was signed for the ‘Glasgow City Region’ in 2014, comprising eight local authorities. The last deals signed in Scotland were the Borderlands Inclusive Growth Deal, the Falkirk Growth Deal, the Islands Growth Deal, and the Argyll and Bute Growth Deal, all in 2021.

All deals are unique as they differ in terms of the territorial scale (i.e. the number of local authorities involved), territorial scope (i.e. more rural or urban focused), the size of funding packages, and timelines of agreement and implementation. Furthermore, the strong involvement of the Scottish Government as a key actor has, to an extent, differentiated the Scottish deals from the deals concluded in England (as well as Wales and Northern Ireland). Regarding this involvement, CRDs and Growth Deals in Scotland are expected to explicitly engage with the Scottish Government’s agenda on ‘inclusive growth’. This is a noteworthy difference - at least on the discursive level - to the focus on ‘traditional’ economic growth (measured, in the main, through GDP) adopted by the UK Government and to the subsequent design of at least the early deals in England.

The notion of inclusive growth became key in the Scottish Government’s Scotland 2015 Economic Strategy (Scottish Government 2015) and envisages growth which ‘combines increased prosperity with greater equality, creates opportunities for all, and distributes the benefits of increased prosperity fairly’ (Scottish Government 2015). In March 2022, the Scottish Government published its 10 year National Economic Strategy which describes Scotland’s ambition to becoming a ‘wellbeing economy’ for which ‘inclusive growth’ is a key underpinning (Scottish Government 2022). Wellbeing and inclusive economic growth are also at the heart of Scotland’s National Performance Framework, an outcomes-based governance approach which sets out policy direction and ambition for Scotland and employs a range of indicators (currently 81, organised along eleven domains called ‘National Outcomes’) for measuring progress. Overall, the Scottish Government’s commitment to ‘inclusive growth’ is in response to the longstanding criticism of gross domestic product (GDP) as a problematic measurement of societal progress or success. Those wishing to go ‘beyond GDP’ argue that economic growth traditionally measured is too often based on the depletion of natural resources and on environmental pollution and therefore undermines the foundations of wellbeing. Furthermore, as a measure of aggregate wealth, its critics say that GDP does not say anything about the distribution of wealth and any resulting inequalities (Bache and Reardon 2016; Giovannini and Rondinella 2018; Stiglitz et al 2009; see Heins & Pautz 2021 for an analysis of the development of the ‘wellbeing discourse’ in Scotland).
The UK’s deal-making approach has attracted some international attention as a means of promoting innovation in policy and financing of regional and urban development and as a mechanism to encourage local governance reform that empowers local actors (O’Brien and Pike 2015; Waite et al 2018); as such, the approach arguably has the potential to be a socially progressive force. Others see in the deals ‘mechanisms that pit different geographic places in competition with each other through the promotion of local economic growth compacts’ and as programmes of ‘metrophilia’ that favour cities as ‘actual or latent sites of dynamism, innovation and productivity’ (Waite and Morgan 2018, 383). Yet others describe the deal-making process as being ‘elite led’ (Beel et al 2018) and the deals as a ‘secretive’ early incarnation of the British Government’s ‘levelling up’ agenda (Tomany and Pike 2020) meant to address long-standing local and regional inequalities across the UK. Lastly, some have described the deals as complex ‘multi-level’ instruments which challenge, in particular, local government capacity and are, despite their bureaucratic design, deeply political (van der Zwet et al 2020).

This report tries to shed some light on whether, in Scotland, the potential of the deals to be a socially progressive force has been realised with regards to the themes of openness, partnership and inclusivity during the early development phases of the deals and in the more concrete project-oriented phases thereafter. Arguably, it is these two phases in which concerns for equality and inclusive growth should be most firmly embedded so that corresponding outputs – in the form of projects and initiatives – and outcomes can be expected. As the report will show, the deals were and are embedded in narratives around ‘partnership’ and ‘inclusion’. However, these narratives have not been the subject of detailed scrutiny with regards to how far they reflect the way the deals have been conceived, developed and implemented. One exception is a review by Audit Scotland. Their 2020 report noted a lack of transparency in how deals are conceived, the absence of mechanisms to measure success, and too little clarity as to how they contribute to the National Outcomes of the Scottish Government’s National Performance Framework. A key recommendation of their report was that the Scottish Government ‘set clear aims and objectives for the overall deals programme, including how it will help to deliver inclusive growth’ and that local government make sure that ‘a wide range of partners and stakeholders […] are involved’ in the deal development. Lastly, the report said that data should be generated and analysed to understand the impact of deals on minority and disadvantaged groups (Audit Scotland 2020, 5). A second analysis, commissioned by the Poverty and Inequality Commission in 2019, argues that

whilst we found clear evidence that inclusive growth is on policy-makers’ agendas to a considerable extent, there was less clarity on what delivering on inclusive growth would look like in practice beyond the relatively longer-standing Glasgow City Region Deal (Statham and Gunson 2019, 25).

This report addresses these and other crucial questions in some detail. The rationale for these questions is clear. Given that the deals involve considerable complexity and require significant local capacity for their development and implementation, it may be the case that many actors are not part of the deal-making process and that these are exactly those who generally are excluded from economic development decision-making. As a consequence, issues in relation to social exclusion, poverty and inequality may be subsumed in, or silenced by, a more ‘traditional’ economic development and growth agenda emerging from the deals, one which could be expected to do little to explicitly address poverty, exclusion and inequalities. The aim of this report is therefore to discuss the extent to which the making of CRDs and Growth Deals included a wide range of communities, whether those who were involved in the deal-making processes considered equality and inclusion issues, and whether equality impacts were actively monitored. As Scotland is now nearly fully ‘covered’ with either CRDs or Growth Deals, such recommendations will be useful for future large-scale economic development vehicles, including those measures introduced as part of ‘COVID–19 recovery’ programmes in 2021 and beyond. Moreover, as the deals are between 10 and 20 years in duration, the findings of the report may still inform their delivery and help actors involved in them to make better decisions.

The report is underpinned by the analysis of publicly available CRD and Growth Deal documents – in particular the ‘heads of terms’ agreed for each deal by local stakeholders, the Scottish Government and the UK Government – and by data gleaned from eighteen interviews with people involved in the making of the seven deals scrutinised in this report. These interviewees were senior local authority officials, local
politicians, and representatives of ‘deal partnering’ institutions from the private and third sectors. The interviewees were identified on the basis of their involvement with the design and implementation of deals. Some interviewees were able to share insights into more than one deal, and some had specialist knowledge in relation to each of the eight deals. The interviews were conducted using a semi-structured interview schedule designed to explore topics including partnership, the deal-making process, stakeholder participation, capital and policy investments, gender and equality considerations, decision making processes, and visions for the future. All interviews were conducted in summer 2018 and, therefore, represent the views of interviewees then. All interviewees were assured anonymity because of the complex and contested nature of the deals. Without this assurance, most of the interviews would not have taken place. Throughout the report, there will be only few references made to concrete CRDs or Growth Deals. The reason is that the report authors do not wish to ‘point the finger’ at individual deals and their makers for possible failures or oversights. Rather, the authors wish to provide constructive criticism of CRDs and Growth Deals which acknowledges the complexity and novelty of this development instrument and the pressures that all of those involved in the making of the deals were under.

The report begins with a description of six CRDs and one Growth Deal with a focus on the partnerships underlying the deals and on their governance structures. In some cases, the latter had not fully evolved at the time of the research so that the detail and length of the descriptions vary. Following this section, and making use of documents and interviews, an analysis of the role of partnerships in the deal-making processes considers the inclusion or exclusion of different stakeholders. This is followed by a section that investigates how the different actors, involved in the deal-making processes and in the design of the deals, understand equalities and inequalities. This includes the exploration of the extent to which the partnerships that designed the deals represented community and equalities interests and if these were an important aspect of the economic development agenda. Next, the relationship between the deals and the Scottish Government’s inclusive growth agenda is discussed. Also, the extent to which capacity building activities around the deals can be a potential mechanism for supporting equalities is reviewed. After this, a discussion of the measuring and monitoring of inclusive growth within the context of the deals is presented, followed by a discussion of challenges around the capacity of developing and delivering the deals and of ‘cross-deal learning’ between local authorities. The conclusion reflects on the implications of the research with regards to creating awareness of the extent to which deal investments can impact potential equalities. The learning points made by the authors of this report address both the deal as an economic vehicle and how it can better address the notion of ‘inclusive growth’, but also make general points on future similar instruments.
2. City Region Deals and Growth Deals – partnerships and governance structures

Until early 2021, six City Region Deals had been signed in Scotland. In addition, since 2019, the Ayrshire Growth Deal, the Borderlands Inclusive Growth Deal, the Moray Growth Deal, the Argyll and Bute Rural Growth Deal, the Falkirk Growth Deal, and the Islands Growth Deal have been signed. The report focusses on the six CRDs in operation or close to completion at the time of the fieldwork in 2018, and on one Growth Deal:

• Glasgow City Region Deal (signed 2014, to last 20 years);
• Aberdeen and Aberdeenshire City Region Deal (signed 2016, to last 10 years);
• Inverness and the Highlands City Region Deal (signed 2017, to last 10 years);
• Edinburgh and South East Scotland City Region Deal (signed 2018, to last 15 years);
• Tay Cities City Region Deal (signed 2018, to last 10 to 15 years);
• Stirling and Clackmannanshire City Region Deal (signed 2020, to last 15 years);
• Ayrshire Growth Deal (signed 2019, to last 10 years).

These deals involve investment ranging from £90 million, in Stirling and Clackmannanshire, to £1.22 billion in the case of the Glasgow CRD, and to £1.3 billion for the Edinburgh and South East Scotland CRD. Table 1 details all deals discussed in this report.

<table>
<thead>
<tr>
<th>City Region Deal/Growth Deal</th>
<th>Number of local authorities involved</th>
<th>Approval date</th>
<th>Total value (£ million)</th>
<th>UK Government contribution (£ million)</th>
<th>Scottish Government contribution (£ million)</th>
<th>Regional partner* contribution (£ million)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Glasgow City Region</td>
<td>8 – East Dunbartonshire Council, East Renfrewshire Council, Glasgow City Council, Inverclyde Council, North Lanarkshire Council, Renfrewshire Council, South Lanarkshire Council and West Dunbartonshire Council</td>
<td>2014</td>
<td>1,226</td>
<td>523.7</td>
<td>520.0</td>
<td>183.1</td>
</tr>
<tr>
<td>Aberdeen</td>
<td>2 – Aberdeen City Council and Aberdeenshire Council</td>
<td>2016</td>
<td>826.2</td>
<td>125.0</td>
<td>125.0</td>
<td>556.0</td>
</tr>
<tr>
<td>Inverness and Highland</td>
<td>1 – Highland Council</td>
<td>2017</td>
<td>315.0</td>
<td>53.0</td>
<td>135.0</td>
<td>127.0</td>
</tr>
<tr>
<td>Edinburgh and South East Scotland</td>
<td>6 – City of Edinburgh, Fife, East Lothian, Midlothian, Scottish Borders and West Lothian</td>
<td>2018</td>
<td>1,33</td>
<td>300.0</td>
<td>300.0</td>
<td>728.1</td>
</tr>
</tbody>
</table>
Table 1: City Region Deals and Growth Deals

<table>
<thead>
<tr>
<th>City Region Deal/Growth Deal</th>
<th>Number of local authorities involved</th>
<th>Approval date</th>
<th>Total value (£ million)</th>
<th>UK Government contribution (£ million)</th>
<th>Scottish Government contribution (£ million)</th>
<th>Regional partner* contribution (£ million)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tay Cities</td>
<td>4 - Angus, Dundee, Fife, Perth &amp; Kinross</td>
<td>2020</td>
<td>300.0</td>
<td>150.0</td>
<td>1500</td>
<td>n/a</td>
</tr>
<tr>
<td>Stirling and Clackmannan-</td>
<td>2 - Stirling and Clackmannanshire</td>
<td>2020</td>
<td>223.2</td>
<td>45.1</td>
<td>50.1</td>
<td>128.0</td>
</tr>
<tr>
<td>Ayrshire Growth Deal</td>
<td>3 - East, North, and South Ayrshire</td>
<td>2020</td>
<td>251.5</td>
<td>103.0</td>
<td>103.0</td>
<td>45.5</td>
</tr>
</tbody>
</table>

Source: authors’ analysis and Audit Scotland 2020

*includes, for example, local authorities, universities, colleges, and private sector funding

In the remainder of this section the key actors in the deal partnerships and the governance structures of the seven deals in the focus of this report are described.

Glasgow City Region Deal

Glasgow’s CRD is based around the eight local authorities that comprise the Glasgow Clyde Valley strategic planning area – these are North Lanarkshire, South Lanarkshire, Renfrewshire, East Renfrewshire, East Dunbartonshire, West Dunbartonshire, Inverclyde, and Glasgow. The CRD agreement was signed in 2014. Consultancy firm KPMG, which had already supported the design of the Manchester City Deal, played a key role in the deal negotiations. Initial meetings also included Edinburgh City Council – as a potential deal partner – and participants from other agencies, including Glasgow Chamber of Commerce.

As this deal was the first in Scotland, its governance structure is well-developed. It consists of:

- The Glasgow and Clyde Valley Cabinet as the ultimate decision-making body, responsible to the UK and Scottish Governments on behalf of the eight local authorities. Each authority has a representative on the board. They meet quarterly to make strategic decisions;
- The Chief Executives Group has operational responsibility for the deal. The group acts collectively across the region, and CEOs of local authorities act on an individual basis for their respective projects;
- The Finance Strategy Group is chaired by local authority chief executives and made up by financial specialists from all local authorities. It is established to focus on the financial aspects of the Infrastructure Fund;
- The Regeneration and Economy Group is chaired by one of the CEOs and provides strategic guidance to the cabinet and individual local authorities on the investment programme flowing from the Infrastructure Fund;
- The Programme Management Office is a central point for monitoring all aspects of the deal and is the first point of contact for UK and Scottish Governments;
- The Programme Liaison Group comprises of a senior officer responsible for each element of the City Deal and acts as an interface between the partnership and the UK and Scottish Governments towards government support of implementing the deal;
- The Commission on Urban Economic Growth monitors and verifies impacts of the Deal’s investment programme at regional and national level. It is led by independent economic experts, with members nominated by UK, Scottish Governments and Glasgow and Clyde Valley Cabinet (GCV) cabinet;
- Glasgow and Clyde Valley Economic Leadership Board facilitates links to industry and provides support to the Glasgow and Clyde Valley Cabinet.
At the project level, stakeholders from higher education, the private sector and public sector agencies are involved. For example, the Stratified Imaging Centre of Excellence is led by Glasgow University, and Inchgreen is a partnership project between Inverclyde Council and Peel Ports (Glasgow City Region Deal 2014).

**Aberdeen City Region Deal**

The Aberdeen City Region Deal – including Aberdeen City Council and Aberdeenshire Council – was preceded, in some ways, by cooperation between the two local authorities in the form of their 2015 Regional Economic Strategy. The CRD, signed in 2016, also involves Opportunity North East (ONE), a group of private sector stakeholders set up in 2015 to ‘accelerate regional economic growth and diversification’ in response to ‘the challenge of maximising the oil and gas opportunity for the region [...] and rebalancing the region’s economy’ (ONE 2019). Wider participation informing the deal occurred via action planning workshops involving Scottish Enterprise, Skills Development Scotland, and higher and further education institutions, amongst others.

The governance structure consists of three main components:

- A City Region Joint Committee was established as the overarching governance body, responsible for the implementation and monitoring of the deal. It is the main interface between projects and local governments, acting to ensure that strategic priorities are met and funding unlocked (Aberdeen City Region Deal 2016). The Committee has nine seats, three for each council and three for Opportunity North East;
- Underneath the Committee is a Programme Board composed of council officers and with representation from Opportunity North East, Scottish Enterprise, and NESTRANS (the regional strategic transport planning authority). Its role is to provide scrutiny and guidance at an officer level (Aberdeen City Region Deal 2018);
- Programme managers supported by the programme management office act as links between the individual workstreams, associated with strategic themes and the projects.

This governance structure is designed, according to the Aberdeen City Region Deal 2018 annual report (Aberdeen City Region Deal 2018), to cohere with the regional economic strategy. This strategy has its own governance structure, including the two councils, Opportunity North East, Scottish Enterprise, Skills Development Scotland, Visit Scotland, and ‘other public and third sector agencies’ (Aberdeen Regional Economic Strategy 2015, 30).

Underneath these layers are the groups responsible for managing the CRD’s individual workstreams. These workstreams include, for example, innovation around the life sciences, digital infrastructure, transport planning, and Aberdeen harbour expansion (Aberdeen City Region Deal 2018, 11). Feeding into these structures are the thematic stakeholder networks concerned with the projects themselves.

**Edinburgh and South East City Region Deal**

The Edinburgh and South East City Region Deal comprises of six local authorities (Edinburgh City Council, East Lothian Council, West Lothian Council, Midlothian Council, Fife Council, Scottish Borders Council), the Scottish and UK governments, the higher and further educational sector and representatives from the private and third sectors (Edinburgh and South East City Region Deal 2017). The deal was first developed by an informal group which came together in early 2015 including senior representatives from local authorities, higher education institutions, and from the business community.

The Heads of Terms for Edinburgh and South East Scotland City Region Deal, signed in August 2018, set out the governance structure, following the recommendations of the Scottish Government’s Enterprise and Skills review (Scottish Government 2017). The structure is similar to that used in other deals and centres around a joint committee tasked with overseeing the implementation of the CRD. Further partners include the local authorities, Scottish Enterprise, Skills Development Scotland, and the business and third sectors (Edinburgh and South East City Region Deal 2019). Higher education institutions (in particular, the University of Edinburgh) play a key role on all levels of the deal’s governance – not surprisingly, in particular with regards to research, development and innovation the higher education sector is crucial for this CRD, as its heads of terms shows (Edinburgh and South East City Region Deal 2017, 3).
Stirling and Clackmannanshire City Region Deal
The Stirling and Clackmannanshire CRD developed into a partnership between two local authorities after Stirling abandoned developing its own deal. Stirling's early planning drew from experiences and structures from the previously constituted City Commission for Stirling, comprising senior representatives from the public, private and third sectors. This meant that third sector input featured early in the development of the deal, perhaps earlier than in other deals. Local partners included at a project level include Stirling University, Forth Valley College, the Royal Society for the Protection of Birds, and public sector agencies from the Scottish Government (Stirling and Clackmannanshire City Region Deal 2018). The deal was signed in February 2020, while the Heads of Terms date back to 2018.

The governance of this CRD centres around a joint committee, formed following recommendations set out in the Regional Partnerships workstream of Scotland's Enterprise and Skills Review (Stirling City Region Deal 2018). This joint committee includes the following partners: the local authorities, private sector organisations, higher and further education institutions, Scottish Enterprise, and Skills Development Scotland. Clackmannanshire established its own commission resembling Stirling's City Commission so that now both commissions are part of the deal’s governance arrangement.

Tay Cities City Region Deal
The Tay Cities City Region Deal, signed in late 2018, brings together the local authorities of Angus, Dundee, Fife, and Perth and Kinross. Uniquely, this deal covers a functional economic region rather than the entirety of the geography of the participating local authorities as only about half of the Fife local authority, its North Eastern part, is included. The deal’s design involved a consultation of stakeholders within local authorities alongside consultations with business leaders. The Tay Cities plan document further states that project ideas to be included in the draft deal were developed in consultation with public, private, and third sector organisations (Tay Cities City Region Deal 2018).

The CRD's governance follows the familiar pattern of a joint committee at the centre. Within this joint committee sit the local authorities themselves, higher and further education institutions, private sector partners, Skills Development Scotland, Scottish Enterprise, Transport Scotland, and TACTRAN (Tayside and Central Scotland Transport Partnership) – the regional strategic transport authority. The structure comprises of six thematic groups which organise the workstreams and have their own specific partnerships to achieve their objectives.

Inverness and Highlands City Region Deal
The Inverness and Highland City Region Deal heads of terms were agreed in March 2016 and the deal was signed in January 2017. Unlike the other CRDs discussed in this report it is comprised solely of one local authority. The heads of terms state that the decision was made for the deal to be designed for the entire Highlands region along with Inverness as these, together, constitute a functional economic region (Inverness and Highland City Region Deal 2018). At the project level, there are distinct partnerships led by specified organisations. For example, Albyn Housing are leading on the FIT housing programme designed to develop innovative housing solutions for older people (Albyn Housing 2018).

As the territory of the deal is comprised of a single local authority, its governance framework utilises existent council structures (Inverness and Highland City Region Deal 2018) and the council shapes the strategic direction of the deal through its planning and infrastructure committee. The Highlands and Islands Enterprise agency, which is the only regional enterprise agency in existence in Scotland, also is a key stakeholder.

Ayrshire Growth Deal
The heads of terms for this deal were signed in March 2019. The deal involves the local authorities of East Ayrshire, North Ayrshire, and South Ayrshire. The deal was designed by the three councils in close collaboration with public sector partners, including Skills Development Scotland. Furthermore, it has built on engagement with the private sector through business engagement events and through consultations conducted via existing Community Planning Partnerships (Ayrshire Growth Deal 2019).
The deal builds on a long tradition of cooperation between the three councils. One example is Ayrshire’s Roads Alliance, a ‘shared council roads and transport service across East and South Ayrshire’ (Ayrshire Roads Alliance 2019). Thus, despite some new governance structures the deal is in many ways a new stage in the long history of cooperation between the three councils.

The governance arrangements are imbedded in a newly established Regional Economic Partnership that is expected to ‘meet the expectations set out in the Regional Partnerships workstream of phase 2 of Scotland’s Enterprise and Skills Review’ (Ayrshire Growth Deal 2019, 9). Besides the local authorities, partners include business sector representatives, higher and further education institutions, Scottish Enterprise, Highlands and Islands Enterprise, Skills Direct Scotland, and Visit Scotland. As with other deals, partnerships were formed in accordance with the projects selected.
3. Making the deals - partnerships and influence

Using documents and the eighteen interviews, this section discusses forms of partnership in the deal-making process and how different stakeholders did or did not have influence in this process. For this discussion it is important to bear in mind that the deal-making processes of all seven deals analysed in this report consisted of drawn-out negotiations, usually lasting years, and with formal and informal aspects. As policy agendas and political contexts change over time, this meant that the focus of the deals-in-the-making sometimes shifted during the process. The bespoke nature of the deals further complicates the analysis of the extent and nature of the partnerships built into them as each deal has a unique partnership arrangement. Therefore, as generalisations are difficult to make, this section draws on areas of commonality and difference between the deals. At first, government and public sector are discussed, then private sector and third sector.

Government and public sector

As the main holder of the purse strings, governments at both UK and Scottish levels were considered, by interviewees, to be an important driver of the deal-making process. However, ‘locally, the council was obviously the main player in the driving seat and had the ability to sort of go with the partners’ from the prospective deal territory (Interview 1). Particularly, one interviewee noted that the partnerships which led to the early deals were ‘fundamentally a grouping of local authorities’ wishing to deliver projects that the local authorities had in mind rather than ‘open forums’ discussing ideas originating ‘outside the council’ (Interview 2). The power relationships between the local authorities participating in the deals are said to have differed considerably according to the size, as well as the political and economic standing of the council area. One interviewee reported that this sometimes led to conflict, especially when local authorities had little tradition of working together and were worried about ‘whether each is getting enough’ (Interview 3).

Locally, council officials and local politicians were seen to be the most powerful actors (Interview 4) while some interviewees noted other public bodies as significant contributors to the early, formative stages of deals development. This was reported to be especially the case in the later deals (Interview 1). These bodies included Scottish Enterprise and Skills Development Scotland, as well as NHS Scotland, the Scottish Environmental Protection Agency, and organisations such as the Scottish Government’s public infrastructure body, the ‘arm’s length’ Scottish Futures Trust. Some deals benefited from access to pre-existing networks—such as those developed around Glasgow’s Commonwealth Games or Stirling’s City Commission—as they facilitated the development of wider partnerships. In summary, only a few interviewees thought that ‘their deals’ required the building of partnerships ‘from scratch’. Positively, the deal-making process itself, as complicated and drawn-out as it may have been, was credited with developing stronger partnerships in particular at regional levels so that later discussions, after the approval of the deal, about the inclusion or exclusion of concrete projects in the deal were described as relatively free of conflict.

Beyond governments, universities—which, although technically charities, should be considered part of the public sector—were significant partners in some of the deal-making processes. This is particularly obvious with respect to the University of Edinburgh and, to a lesser extent, Herriot-Watt University and their core role in the ‘Data Driven Initiative’ absorbing about a third of Edinburgh’s CRD’s total budget (Edinburgh and South-East City Region Deal 2018).

Private sector

Given the economic growth agenda inherent in all deals, interviews unsurprisingly confirmed that the private sector had a strong presence in the deal-making partnerships. One interviewee said that ‘our deal was driven by industry and private sector, and that’s not at the expense of inclusive economic growth, but that was the direction we took’ (Interview 5).

The notion that the deals’ central objective is the stimulation of economic growth was reflected by how interviewees described the influence of representatives from the private sector. One noted that the manager of a deal ‘can get in front of a minister and say loads of nice interesting things, but actually, then later, now, the leader of business can have more impact’ (Interview 4).
The involvement of the private sector was nurtured by local government officials responsible for the deal-making. They were clear about the importance of private sector involvement for a successful deal:

I got a pretty firm message that this [the deal] is about economic growth, you need to get business involvement, you need to make sure that you got good engagement with the business community (Interview 1).

However, one interviewee noted that the novelty of the deals also presented a challenge to many in the private sector, with both smaller and larger businesses sometimes struggling to understand that the deals were not to benefit businesses ‘directly’ or have their ‘pet projects included in the bid’ (Interview 6). This required that local authority officials carefully managed the private sector’s expectations whilst trying to maintain their interest in the deal. While the private sector was involved relatively early, the mechanisms for stimulating such engagement consisted mainly of the sort of traditional networks for business that you would expect, the Chamber of Commerce and the Federation of Small Business. [...] It’s not about recreating anything or creating more structures and more ways to consult, cause all that already exists (Interview 7).

Interviewees thought of these private sector voices, often involved via their umbrella groups rather than as individual companies, as being influential during the early stages of the partnership and when working closely with government and public sector partners.

**Third sector**

Compared to the private and public sectors, the third sector appears less involved in the deal-making processes in general. Although in a minority of cases, representatives of Third Sector Interfaces – platforms which ‘provide a single point of access for support and advice for the third sector within local areas’ (Scottish Government 2018a) – got involved as a member of deal governance arrangements relatively early, interviews showed that this occurred usually after the heads of terms had been agreed and therefore the basic framework of the deals had been determined. Some interviewees stated that this was because deals were so clearly focussed on economic growth, with partnerships built accordingly. Consequently, the third sector was not seen as a relevant stakeholder in achieving growth, ‘inclusive’ or not (Interview 2). Not even social enterprises were considered as contributors to growth, as one interviewee recounts the discourse on who contributes to economic growth and who does not:

The governments embrace the private sector, but they look at the third sector, social enterprises, as some kind of charity thing, and they don’t understand it. And so, I suppose they look at us as a needy thing, rather than as something that brings benefit to the bid (Interview 8).

While the above paints a picture of deal-making processes involving only a relatively narrow group of actors and interests, the interviews do not provide evidence for systematic and deliberate exclusion of any sector or specific community group with the aim of silencing uncomfortable views or interests. However, the fact that ‘neither government [Scottish and UK] would have any discussion about any concrete project’ (Interview 9) until both sides had agreed their financial input and the overall rationale for a deal, meant that strategic decisions were made by very few actors. One interviewee cited a ‘disconnect’ between the deal team and representatives from the third sector (Interview 8). Any interaction between local government and communities during the deal-making process was considered by one interviewee as a matter of ‘presentation of what will go into the deal rather than genuine engagement or empowerment of a local community’ (Interviewee 10). Third sector and community views mainly entered the discussion, it seems, only after the deal had been agreed by UK, Scottish and local governments. This then occurred in the form of consultations usually conducted through already existing Community Planning Partnerships, the arrangement of ‘all those services that come together to take part in community planning’ to focus ‘on where partners’ collective efforts and resources can add the most value to their local communities, with particular emphasis on reducing inequality’ (Scottish Government 2015). These Partnerships were the most promising routes for influencing the deals at this later stage, in particular given that third sector and...
community representatives ‘don’t tend to have access to ministers’ (Interview 4). However, at this point of the process the strategic decisions over the deal’s purpose and funding priorities had already been made. In the words of one interviewee, consultations were then ‘retrofitted’ (Interview 6) but were unlikely to lead to significant changes. As one local government official remembers, ‘what I hear quite consistently from the third sector is “we get a seat at the third sector table, but actually, what we want is a seat at the money table, we’re not taken seriously as partners in this”’ (Interview 11). Similarly, the deals appear not to have led to much innovation in community engagement: ‘We used existing structures. We didn’t go out and do public meetings or anything’ (Interview 1).

Given the presumed importance of communities and the third sector for the reduction of inequalities as illustrated, for example, in a recent review by the Scottish Poverty and Inequality Research Unit of the co-production and co-creation literatures (McKendrick et al 2021), the following looks in more detail at why there was a lack of engagement between representatives of the third sector and local, Scottish and UK governments in the crucial early phases of deal-making. The interviews bring to light a range of reasons.

First, we were told by interviewees that local authorities were asked to not talk to communities about concrete spending commitments and thereby also about concrete projects. The deal-making process, in terms of involving partners, was perceived by one interviewee as ‘secretive’; he considered that ‘permission to go and talk about this stuff would have been good to help us shape the deal much more clearly. But because of that restriction we are where we are’ (Interview 6). It seems that more recent deals have made more systematic efforts to allow meaningful consultation and early participation as local governments have had more time to get partnerships into place prior to making the bid and have also learnt from the early deals (Interview 10).

A second, related issue is the competitive environment in which local authority officials put together the bid. According to interviewees, this environment made putting out ideas for public scrutiny problematic as other local authorities were at the same time developing their own deal – it seems that ‘getting our interest in’ before other local authorities was deemed important for how successful bids would be (Interview 9). This situation could lead to something of a tension. Because as much as we want to say ‘oh yes, we’ve gone out and we’ve consulted with our communities’, there was always an element of holding back because you didn’t want to share all of your great ideas. [...] Whilst there’s a lot of talk around community engagement and engaging with the third sector, around the CRDs, my experience is that in practice that’s not really the case (Interview 11).

Third, time pressures meant that consultations, let alone the participation of non-governmental voices in the deal-making process, were felt to be difficult to organise. In many cases, even elected council officials - to their consternation, sometimes - were barely involved in deal-making because of the tight time frames within which discussions around the bid were held (Interview 6). The lack of time exacerbated the issue that local government had, in most cases, little capacity to organise outreach. The deal-making itself was ‘quite officer-intensive’ and absorbed too many resources to also organise community engagement - a situation that had been aggravated by staffing cuts ‘in times of austerity’ (Interview 11). Combined, this caused significant administrative strain:

> I think the process is overly burdensome, it’s bureaucratic. It took too long; it stretched the capacity of the civil servants to breaking point (Interview 12).

Fourth, the nature and complexity of the deals was an issue which made including a broader range of partners difficult. While this did not just present a challenge for the third sector, one interviewee was not convinced that the third sector fully understood the role of CRDs or Growth Deals in the growth agenda, how they were developed, and what kind of project they could encompass: ‘Community level people don’t really have a good understanding of City Deals, especially at the community group level’ (Interview 13). In that sense, community and third sector involvement was sometimes seen as a hindrance to the ambitions of those designing them. Regarding the determination of the kind of projects that would be supported by deals, interviewees said that they worried about the need to undertake extensive ‘expectation
management’, especially vis-à-vis third sector organisations, given that the focus of the deals was on innovation and growth which was not seen as being relevant to them:

I didn’t want to go round lots of voluntary organisations and say ‘look here’s gonna be a new source of funds for you’ because that way they would all have been just disappointed (Interview 1).

This task was complicated by the fact that during the deal-making phase little was clear about the level of funding that could be expected, making it impossible to say that specific projects would be funded. Those local authorities that endeavoured to engage more widely with the third sector, but also with the private sector, said that the ‘downside of that approach is that we have now created out there a large expectation of certain things being delivered’ (Interview 14).

Fifth, the deals were also seen to be matters of ‘high politics’. Scottish and UK governments have been at ‘political odds with each other’ and some of the deals were as much about UK politics as they were about regional development (Interview 9). This meant that involvement of any further actor, in particular third sector actors, would have added further and unwanted complexity to the deals.
4. Equality and inclusiveness in the deals - challenges and opportunities

Scotland’s ‘Economic Strategy’, as formulated by the Scottish Government in 2015 and today superseded by the 2022 ‘National Strategy for Economic Transformation’, had a ‘commitment to delivering Inclusive Growth’ (Scottish Government 2015, 5). It was set within the policy context of the Equality Act 2010 (UK Government 2010) which recognises that decisions made by public authorities have a significant impact on equalities. The Act defines nine protected characteristics: age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex, sexual orientation. Additionally, it includes a ‘socioeconomic duty’ on authorities to consider how their strategic decisions and policies reduce inequalities resulting from socioeconomic disadvantage. To date, Scotland is the only part of the UK to have implemented the socioeconomic duty – the Fairer Scotland Duty, regulated by the Equality and Human Rights Commission and requiring ‘due regard to […] inequalities of outcome caused by socioeconomic disadvantage, when making strategic decisions’ (Scottish Government 2018b, 5; see Box 1).

Box 1: Socioeconomic disadvantage and inequalities of outcome (Scottish Government 2018b)

Because CRDs and Growth Deals have implications for equalities (in terms of protected characteristics) and for inequalities (in terms of distribution of resources to place and communities of interest), this section now focuses on how interviewees understood equalities and inequalities in relation to the making and implementation of ‘their’ deals. Following this, perceptions of the central challenges around equalities and in the context of the deals are explored. Lastly, the relationship between deals and inclusive growth is discussed.

Understanding inequalities and ‘protected characteristics’

For many interviewees the concept of ‘protected characteristics’ but also other, perhaps more conventional, understandings of inequality mattered for the making of the deals. Some interviewees stressed that, when developing the deal, they were

very focussed, and rightly so, on inequality. So, poverty and deprivation. We know the communities that have those challenges, we know what the challenges are, we’ve known this for a very long time, as most places in Scotland have (Interview 11).

Other interviewees specifically identified protected characteristics as a key focus in the deals. One interviewee spoke of women, disabled people, and ethnic minorities as areas of priority interest (Interview 5). Some interviewees, when considering the focus of their deals on groups with visible protected characteristics, said that this focus may be a consequence of data on these categories being more readily available or easy to collect.
Inequalities were seen as linked to place. In particular, interviewees from local government backgrounds were likely to conceptualise and address inequalities issues by looking at specific geographic areas. They considered this as being a logical consequence of ‘what councils are there for’. One commented: ‘I think the predisposition of local authorities tends to be on place because, in a sense, they have to deal with problems of place’ (Interview 2).

The interviewees provided some insights into whether conventional thinking about economic development—often narrowly defined as being in pursuit of growth in gross domestic product— or the broader notion of the Scottish Government’s pronounced emphasis on ‘inclusive growth’ mattered more in the deal making processes. Some interviewees found that too much focus was on conventional understandings of growth:

My reading of [the deal] is, it’s drafted by and for the business community, economic drivers very much the focus. And where are the equalities? Where is the public sector equality duty? Where’s the equality outcomes? Nowhere! (Interview 15).

Others were cautiously optimistic and saw the deals as potential vehicles for tackling poverty and exclusion and for providing deal partners with a more inclusive perspective on economic growth that links well to issues of equalities:

What you’re actually doing is you’re questioning a traditional view of economics; you’re questioning that you create wealth and it somehow trickles down to the poorest. That’s the whole fundamental point that’s being questioned here, through inclusive economic growth. There’s a gap now, which is ever increasing, between those that are rich and those that are in poverty (Interview 12).

**Incorporating equalities in the deals**

In the following, the interviews are used to explore how far equalities were considered by those involved in the deal-making processes. This will be done from three perspectives. First, the extent to which equality issues are embedded in the deals is considered. Second, the extent to which spatial aspects of equality, particularly in the context of deprivation and poverty, are a driver in the deal-making process is discussed. Third, the analysis considers the extent to which protected characteristics (for example, gender, ethnicity and age) were incorporated in the making and implementation of the deals.

First, while all interviewees acknowledged that the deals need to respond to particular equalities challenges, they repeatedly emphasised that the deals are first and foremost an economic development vehicle which, when successfully used, can provide the foundations for further benefits:

We see the City Deal itself as a means to an end, it’s not the end itself, it’s a series of step-change projects that will get us to where we want to go as an economic region (Interview 14).

Given this approach, which places a focus on economic development as a means of delivering wider outcomes, it is perhaps no surprise that the private sector was seen by most interviewees as the most valuable partner with regards to contributing to the inclusive growth aspect of the deals through, in the main, employability and job creation initiatives. Here interviewees emphasised how important it was that businesses were ‘part of creating that vision [of the deal], and that they really support it and believe in it. Then they will continue to come again and again, and they will also be your champions and your ambassadors for your area’ (Interview 11).

Second, the theme of ‘place’ was, in some interviews, discussed together with equality concerns. Sometimes, this was done with an emphasis on how the deals can make a geographical area more economically competitive as this was seen as a means to the creation of new and better jobs and therefore higher incomes. But interviewees also considered the potential equalities benefits arising from the deals:

You can change the face of a place, but if you’re not changing the poverty that people are living in, the life chances that people have, then ultimately they’re gonna see that as a failure (Interview 11).
Clearly, interviewees saw the deals as vehicles that could benefit disadvantaged places, and for many interviewees the deals were about reversing decline and attracting both people and opportunities into these localities:

We've got an ageing population, we've got out-migration of young people for higher and further education. So we knew what we were trying to address with the deal (Interview 1).

The thinking around place competitiveness highlighted the challenge of securing ‘inclusive growth’: securing economic growth can conflict with the imperative to reduce inequalities so that the deal itself may contribute to increasing inequality. There is considerable evidence that the gains from economic growth, without a focus on its quality and distribution, can be disproportionately captured by those with the highest incomes and wealth, creating disproportionately fewer benefits to those with the least - thereby widening pre-existing inequalities (e.g. Causa et al 2014; Hermansen et al 2016; Stiglitz 2015). Some interviewees were very clear about this:

I think there has been a tension and indeed, you know, the ministers at the highest levels have acknowledged the tension between pure economic growth and infrastructure projects, and the Scottish Government’s desire to really marry up social policy and economic policy. And I think that tension continues today (Interview 11).

Perhaps unsurprisingly, given the geography of Scotland, inequalities created by rurality and the potential for resultant economic exclusion were repeatedly cited by interviewees as important and often disregarded issues:

There is rural poverty that we don’t see, we tend to think of the rural areas that they’re all fine. Well, no, they have different challenges. Digital connections, transport, access to jobs (Interview 11).

Connectivity challenges were discussed, by interviewees, as equality and inclusion challenges. Here, it seems that digital infrastructure was seen as paramount in terms of improving the economic outlook of disadvantaged rural communities:

Get the region working better, connected more effectively, you can link need and opportunity at a regional scale more easily, rather than just looking within one’s city boundaries (Interview 14)

The biggest challenge we’ve got is geographic inclusion, making sure that we’re not leaving different parts of the region behind (Interview 1).

Third, interviewees considered if and how protected characteristics were incorporated into making and implementing the deals. Gender was mostly discussed with regards to skills and employment opportunities, and it seems that gender was the main focus of (in)equalities planning together with issues of poverty and place. Several interviewees were vocal about the importance of considering gender impacts when planning concrete projects agreed as part of the deals. After all, while projects can offer opportunities to address inequalities, if they relate to fields disproportionately dominated by men, for example construction and data technology, there is a risk of perpetuating, and even deepening, existing inequality:

If you have eight thousand construction jobs and twenty thousand data jobs, whatever the numbers are, I can foresee that being a heavily male dominated growth...my concern was, we’re creating an economic stimulus to provide jobs in traditionally male areas. Now just because they’re traditionally male areas, doesn’t mean that they’re male areas. And what we did sort of agree in response to that was to look at how things are developing and making sure, you know, safeguards are put in, making sure things are structured properly. So we did agree to take cognisance of that fact and not be blind to it (Interview 16).
For some interviewees, the relatively long lifespan of the deals offer an opportunity to enhance equality through proactive strategies, for example by targeting interventions at young people, particularly girls, starting from primary school age:

> The other is women, or more likely, girls. Because if you require a particular kind of skills to flourish in a data-driven economy, yes, there are structurally embedded practices which lead girls to choose different subjects to boys, then you might be embedding a disadvantage through that. So, I think that’s one of the things we have to think very hard about as we develop this programme (Interview 7).

Youth employment and skills development, as well as the fostering of entrepreneurship, were further areas which featured in the interviews. Here, again private sector involvement was described as key:

> Things like youth opportunity sits right at the top of the hierarchies, and most businesses will feel they have a responsibility to participate in providing opportunities for the young, and in contributing to that, in varying ways. Either directly through their processes or through corporate social responsibility, or personally as senior leadership, you will find that (Interview 17).

Considering that many deals aim to change or extend the economic base of their regions, it is worth noting that considerations around employment and skills programmes appeared mainly focused on younger people. Some interviewees were clear about the unintended risks that this focus bears:

> We have to give attention to other kinds of disruption. One is older people who are less well equipped for a data driven economy (Interview 3).

There was relatively little discussion, in the interviews, of equalities in relation to disability or ethnicity. However, some interviewees emphasised the expectation that these protected characteristics should also be reflected in the deals:

> If you’re injecting that kind of figure into an area, you should be aspiring to create jobs for your disabled people, your ethnic minorities, your Polish communities. And I think that’s how the Scottish Government’s inclusive growth agenda should be judged (Interview 11).

**Inclusive growth: ambition, ambiguity and capacity**

In this last section, the relationship between deals and inclusive growth is discussed and capacity issues around deals as potential tools against inequalities are reviewed.

The interviews show that some of those involved in the deals see ‘inclusive growth’ as a conceptual challenge:

> One of the complexities is the potential trade-off between the growth of a project and the inclusivity of a number of dimensions. It’s not always the case that these two are actually pointing in the same direction. If you are going to drive one person’s inclusiveness, that might be another person’s disadvantage (Interview 2).

Nonetheless, the Scottish Government’s promotion of inclusive growth has brought about a change of emphasis since the first deals were agreed, according to this interviewee:

> I think the Scottish Government’s approach to inclusive growth has crystallised, I guess with the [2016] Enterprise and Skills Review, where I think there is literally a line that says that all future City Deals must be focussed on inclusive growth, also in respect to skills development. That came out, again, mid-stream, we had taken that approach generally but, equally, we were playing into a UK industrial strategy (Interview 14).
The explicit focus on inclusive growth notwithstanding, interviewees see CRDs and Growth Deals fundamentally as economic development vehicles and, consequently, said that inclusion considerations were made – or would be made – at the level of individual projects. This implies that these considerations were not key during the deal-making process itself, including within the setting of overarching objectives. As one interviewee asked: ‘Why would equalities at a strategic level result in the best project decisions?’ (Interview 2). There appeared to be some consensus over this issue: ‘The more important and more meaningful assessments will come when individual initiatives are coming forward’ (Interview 11).

It therefore appears that the inclusivity of the intended economic development generated through the deals was viewed as an issue for the project delivery stage rather than the deal-making stage. However, incorporating inclusive growth and equalities considerations relatively ‘downstream’ in the deals presents some challenges. From this standpoint, the inclusiveness of growth and equalities considerations are understood as mostly relating to the employability and labour market participation of women and young people:

I suppose inclusive growth is really about employability, I mean they’ve taken employability through everything, and I suppose it’s those that are furthest from the job markets. And beyond that, you know, I suppose if they look at the employability figures, and those that are out of work and struggling to get work, those will be the people that they will target. And a lot of those people will be those that have inequalities that need to be addressed (Interview 8).

The lower-level focus also risks taking what appears like a ‘tick box approach’, in that inclusion is a ‘retrofitted consideration’ within deals, as some interviewees put it. To achieve some consideration of inclusion – even at this level – interviewees seemed to value the third sector’s involvement in the process:

Some of the specific projects are absolutely driven by equal access to opportunity, particularly around care and hospitality and tourism, those projects have been generated by the third sector. And therefore, their outputs are much more likely to be targeting groups which would otherwise be overlooked in conventional economic approaches (Interview 14).

While retrofitting inclusive growth to deals and its consideration only at the project level seemed to be ‘normal’ in earlier deals, the interviews suggested that the meaning of inclusive growth was often unclear and that the concept was interpreted in limited ways as labour market inclusion and employability measures.
5. Monitoring, building capacity, and ‘cross-deal learning’

This section focuses on how interviewees discussed the measuring and monitoring of inclusive growth within ‘their’ CRDs and Growth Deals. First, some of the existing indicator frameworks for inclusive growth are considered. This is done because there is no uniform monitoring system with a standard set of required indicators for the deals. While their bespoke nature would make it difficult to establish one, the absence of a uniform system means that the overall impact of the deals on equality and inclusion is difficult to determine and also allows, potentially, for equality issues not being monitored at all. This discussion is followed by an outline of capacity-building challenges at the local level before closing with a summary of interviewee perspectives on challenges that relate to cross-deal learning.

Developing useful indicators

This section examines some of the indicator frameworks that have been developed to monitor inclusive growth. In the absence of a dedicated deal monitoring framework we explore to what extent wider frameworks could effectively monitor the impact of the deals on inequality issues in Scotland.

The advent of the Scottish Government’s inclusive growth agenda was accompanied by the introduction of monitoring and evaluation frameworks. Some such monitoring approaches (for example the Scottish Multiple Deprivation Index – see Box 2) dovetail with other frameworks at the UK, EU and global level. These consist of indicators intended to measure inclusive growth and social inclusion more broadly and exist at the European, national, regional and local levels. It goes beyond the scope of this report to provide a comprehensive analysis of the integration and overlap between these frameworks, but it is useful to briefly reflect on how they might relate to each other. Boxes 2, 3 and 4 provide some examples of indicator frameworks developed to capture inclusive growth in the EU, the UK and in Scotland.

Box 2: EU level indicators for inclusive growth

The EU produces regular reports and studies of social inclusion (e.g. Atkinson et al 2017). It has also produced a Social Inclusion Monitor Europe (SIME). Two types of annual data are collected through the EU statistics on income and living conditions (SILC) and provided by Eurostat:

- Cross-sectional data pertaining to a given time period, including variables on income, poverty, social exclusion and other living conditions.
- Longitudinal data measuring changes over time at the individual level. These are collected over a 4-year period. They are confined to income information and a reduced set of other variables, designed to identify the incidence and dynamic processes of persistent poverty and social exclusion among subgroups of the population.

Source: EU Social inclusion monitor (Eurostat 2017)
Box 3: UK methodologies for measuring inclusive growth

In 2016, the Joseph Rowntree Foundation commissioned Sheffield Hallam University to develop an ‘inclusive growth monitor’ (IG Monitor): a set of measures of prosperity and inclusion for Local Enterprise Partnership (LEPs). The monitor is designed to help LEPs monitor indicators of poverty alongside indicators of growth, and to enable a broader understanding of how different aspects of growth and poverty differ between LEPs and over time.

The IG Monitor uses existing statistics from a variety of sources to construct an index of the extent to which people living within a given locality may be considered as economically included and benefiting from broader national economic prosperity. The monitor is divided into two themes (‘Economic Inclusion’ and ‘Prosperity’), each having three underlying dimensions containing a set of three indicators respectively. Each indicator is ‘normalised’, giving a minimum score of zero for the lowest scoring area and a maximum of one for the highest scoring (‘normalised level scores’). This means that each dimension has a minimum score of zero and a maximum score of three, whereas each theme has a minimum of score of zero and a maximum score of nine.

Source: JRF (2017)

Box 4: Scottish Index of Multiple Deprivation

The Scottish Index of Multiple Deprivation (SIMD) is the Scottish Government’s official tool for identifying concentrations of deprivation in Scotland. The SIMD combines seven different domains or aspects of deprivation: income; employment; health; education, skills and training; geographic access to services; crime; and housing. These domains are measured using a number of indicators to form ranks for each domain. Data zones are ranked from 1 being the most deprived to 6,976 being the least deprived. Each of the seven domain ranks are then combined to form the overall SIMD. This provides a measure of relative deprivation at data zone level, so it shows that one data zone is relatively more deprived than another but not how much more deprived.

Source: Scottish Government (2016)

The above boxes indicate that monitoring of social inclusion and inequalities is taking place but, at the time of writing, this is not directly linked monitoring to or integrated into the deals. As such, there is no uniform approach to capture the impact of the deals on inequalities.

While, arguably, the diverse nature of deals makes a UK-wide or even Scotland-wide approach to monitoring and evaluation challenging, some interviewees had hoped that the Scottish Government would take a more pro-active approach in terms of how monitoring should be done. Such guidance would have helped local actors involved in deal design to build their own approach:

I think the ongoing monitoring might be an issue for us. And as well, I was hoping there would be a national approach at least (Interview 18).

Yet, others note that while such suggestions have been made, they have proven very difficult to realise:

Right at the outset of the process, the Cities Alliance suggested to the Scottish Government that there should be a common approach across Scotland. Why keep reinventing the wheel? That has proven quite difficult to put in place because the city deals are all so different (Interview 14).
The interviews showed that there are three main challenges around the usage of indicators in the context of the deals. First, interviewees noted the UK and Scottish governments had different data needs:

Whereas the UK Government will be very much about GVA [gross value added] and job creation, and all of those traditional economic indicators, the Scottish Government requires something quite different (Interview 11).

Moreover, at the local level data needs are more operational and require an additional monitoring framework. One of the consequences of the absence of uniform monitoring framework for the deals may be that existing local monitoring systems are then used to capture the equality outcomes of the deals. Such a bottom-up approach to monitoring has advantages (i.e. it responds to local contexts), but one of the risks can be that it provides a poor basis for comparison of the effectiveness of deals in terms of delivering on equality issues.

A second challenge recognised by interviewees is that indicators for measuring inclusive growth are incomplete or have a time lag. This can make formulating and implementing appropriate policy responses complex. Yet, as illustrated by the following quote, while indicators may not be perfect and almost all indicators suffer similar issues, they are seen as useful because they can bring about a shift in strategic thinking by forcing stakeholders to consider how they contribute to inequalities and inclusive growth:

Specialists feel certain indicators are missing or there’s too much lag in some of the statistics. But there is an expectation now that any regeneration project will look to the Scottish Multiple Deprivation Index and try to improve Scottish multiple deprivation figures (Interview 10).

On the other hand, despite the above-noted shortcomings there is some evidence that the focus on social inclusion in the context of CRDs has informed management practices locally with dashboards and scorecards being adapted to monitor inclusive growth at a more strategic level:

We as the corporate management team [of the CRD] have just actually redone our corporate scorecard. And within that corporate scorecard some of the measures will be around inclusive growth (Interview 12).

**Developing participatory monitoring frameworks**

Monitoring and indicator frameworks can provide an evidence base for success or failure of policy instruments such as the CRDs and Growth Deals. They are also key elements, for the interviewees, of a larger narrative around the effectiveness and efficiency of the deals. However, some interviewees raised doubts about the possibility to measure and demonstrate the success of the deals:

Is the deal going to generate inclusive economic growth, which is what we talk about in Scotland, to the extent that everyone hopes? No-one knows the answer to that. And actually, I’m not sure that we ever will know the answer to that (Interview 12).

Certainly, interviewees thought that the ‘hard’ monitoring frameworks and their quantitative approaches were not sufficient alone and should be combined with ‘softer’ ways of understanding communities. These include the insights that local councillors gain by listening to the concerns and views of their constituents:

You have all these indicators. And that’s the hard stuff, if you like. But you cannot get away from what I think the elected members bring, which is that softer understanding of communities and what’s going on, and what they’re hearing, and the people that are coming to them and saying ‘there’s a problem going on in the community centre, there’s an issue with the library, that third sector organisation is about to go pop’. I mean, all of that stuff you can’t necessarily be captured in hard indicators. So, I think it has to be a combination of both (Interview 11).
Building capacity

Both the deals and the inclusive growth agenda are new approaches. Stakeholders require access to information and opportunities to learn. That means that to effectively design, implement and monitor CRDs and Growth Deals, stakeholders require opportunities to develop their understanding of these new instruments. The challenge to facilitate such capacity-building has to be seen against the background of major cuts to local authorities over the past years, according to many interviewees:

There’s a sense that people are a bit more sympathetic to each other’s positions. It used to be a community representative would attack the council and vice versa, but I think there’s an understanding of the pressures we’re all under. I think they’re huge for local authority staff at the moment with [budget] cuts and more demands and more expectations on their time and different evolving policy agendas (Interview 10).

Some interviewees noted that the partnership approach to the deals has meant that sufficient resources would exist to conduct a meaningful monitoring approach:

The city region deal is so high profile, it’s so important to the region; and equalities are very, very much on the agenda that I don’t think that [capacity] would be particularly an issue at that instance (Interview 5).

Others noted that different support tools are being developed to build capacity for an effective monitoring effort:

The Joseph Rowntree, the metro dynamics work, will help because that is a consistent methodology—capturing the potential benefits of individual projects. And there is a common toolkit now, the diagnostic toolkit that should allow people to identify what the specific barriers are that their intervention should be addressing (Interview 14).

With capacity issues clearly on the mind of interviewees, they also spoke about initiatives that helped deal partners – in particular local authorities – to overcome these issues. For example, the Equalities and Human Rights Commission (EHRC), funded by the Scottish Government, has run training sessions which focussed on linking equalities issues to procurement processes in order to create broader capacity and awareness of inequalities issues in the CRD implementation process. These training sessions were specifically targeted towards the deal territories. However, some interviewees seemed doubtful about whether training itself would be sufficient to overcome problems arising out of a lack of staff time that can be dedicated to the complex deal-making process:

The training has been put in place; the proof of the pudding will be when those outline business cases [for projects] are starting to be worked up. It’s the amount of time working with projects owners, project proposers to build in equality into their thinking. That’s where the real resource will be required (Interview 14).

Given that the first Scottish deal was signed in 2014, there was opportunity to learn from the experiences of the ‘early adopters’. However, interviews suggest that there have not been many occasions, organised systematically, of ‘cross-deal learning’ to enhance capacity:

We don’t get the opportunity to come together on a pan-Scotland basis, and really talk about – honestly talk about – our experience of the deals (Interview 11).

However, interviewees reported on some attempts of lesson learning on the basis of existing connections between local authority areas:

We’ve looked at what’s been put in place at Aberdeen in particular, we’ve got a good relationship with Glasgow and we’ve looked at Manchester. We’ve had some conversations with colleagues in Edinburgh. So, the programme managers are starting to speak to each other (Interview 14).
However, some note that insufficient attention is being afforded to such aspects of capacity building:

There’s not a great propensity to share huge amounts of information between those cities involved in city regions. But that, I have to say, is typical, fairly typical of local government. It doesn’t share information particularly well. There’s been some effort to do it through the Scottish Cities Alliance, for example. But equalities as a focal point, I would say, it hasn’t really been... that a light hasn’t really been shone on that to the extent it probably should be (Interview 12).

More systematic approaches to cross-deal learning and thereby enhancing local capacity to cope with the complexity of bespoke deals would be something welcomed by interviewees, generally speaking:

The government would like to get to a point where there is almost a city region deal network. Whether the Scottish Cities Alliance morphs into something that’s wider than the seven cities and their regions or not, I don’t know. But there have been benefits with that SCA approach of collaboration and working together and knowledge sharing, so I’d like to think that would happen (Interview 14).
6. Conclusion– are the deals ‘growing equality’?

City Region Deals and Growth Deals have become an established feature of the urban and regional development agenda in Scotland. Scotland is now, geographically speaking, more or less fully covered by these deals. One of the challenges in analysing the deals as a policy approach is that the deal-making process and the deals themselves are not only complex but also highly bespoke with respect to each locality. Therefore, any generalisation about CRDs and Growth Deals should be made with caution.

One of the key issues in relation to whether equality issues are represented in the deals is that of partnership and the influence of different stakeholders in the design and deal-making process. The report considered the actors involved in the various deals and to what extent they were able to shape them. Overall, there is an impression that what interviewees described as the ‘secretive’ nature of the design process hampered the inclusion of all stakeholders concerned with equality issues. It seems as if the involved tiers of governments – UK, Scottish and the local authorities – did not want to hold the deal-making discussions in public because of concerns that an open approach would raise too high expectations on the side of private and third sector when funding turns out to be more limited than initially hoped, or when particular projects would not be supported.

Furthermore, the competitive element to the deals has made it difficult for deal consortia to be public about their ideas and projects. In effect, this has meant that the design process was in many ways ‘top-down’ and often used existing public consultation mechanisms which were not always suitable for the novel instrument of the CRD or Growth Deal. This is not to say that openness, inclusivity, consultation, and partnership are entirely alien to these deals. But interviewees suggested an expectation that these characteristics would be translated into reality only in the detailed project phases – in other words, only once the deals were approved and after the key projects and principles had been agreed. It could, however, be argued that this comes too late in the process, with the broad direction of the deals already set. It also seems, based on what interviewees told us, that later deals did improve with regards to their level of openness, inclusivity and transparency.

The interviews suggest that the private sector was better represented in the design process, and presented evidence of a close working partnership between local enterprises and government stakeholders. In some deals, the higher education sector has taken a lead role as a key actor in innovation and as a main player in the local economy. In contrast, this report suggests that third sector involvement was quite limited, certainly in the deal-making phase. A key explanation for this lack of involvement – and therefore, arguably, also the lack of voices of those often excluded from economic development discussions – could be because the deals are, at least from a UK policy perspective, an instrument to deliver a ‘traditional’ economic growth agenda. The Scottish Government’s inclusive growth agenda has attempted to move away from this approach and could, potentially, give more room to the involvement of the third sector in any economic development strategy. However, there is some indication that those in charge of deal-making and implementation did not fully or always consider the activities of third sector organisations, including social enterprises, as contributors to (inclusive) growth, instead viewing them primarily as undertakings that cost (public) money. This view may, at least partly, explain the absence of the representatives from the third sector: in short, the sector is simply not seen as a contributor to growth and, moreover, as being too keen on promoting its own ‘pet projects’.

While recognising this significant gap in relation to the participation of the third sector, interviewees suggested that local stakeholders are interested in ‘building in’ inequalities and inequalities concerns within the wider economic growth agenda. Throughout the interviews, there was a strong awareness of existing inequalities in Scotland, with poverty and social exclusion being the most readily understood dimensions of this. The understanding of inequalities was often framed spatially – for example, interviewees highlighted rural and urban inequalities. As regionally-based interventions, the deals were seen to have the potential to target investment at disadvantaged areas in order to mitigate poverty and exclusion and therefore act as an instrument to address inequalities and promote social inclusion. However, the report shows that the deals have not always been conceived with poverty, exclusion and inequalities in mind, at least not in
the initial phases of the deal-making process. Many interviewees acknowledged that more needed to be done to integrate equalities into the delivery of the deals, in particular when considering the implications for groups with protected characteristics. As a process, this would require greater and earlier involvement of those experiencing inequalities. Furthermore, over the long lifespans of the deals – between ten and twenty years – the nature of equality issues is bound to change. This suggests that the impact of the deals on equalities and inequalities will require continuous monitoring and that continuous input from people experiencing inequalities will be key.

Private sector involvement in the deals was seen, by the interviewees, as an asset in terms of securing a robust economic framework for investment but also as supporting social inclusion by improving employment prospects and benefitting relatively disadvantaged places. While the deals can, arguably, support long-term strategic planning, reducing economic exclusion and supporting quality of life (for example, through digital connectivity, employment, housing and traditional infrastructure development), interviewees were aware that economic growth can conflict with efforts to reduce inequalities. Linking people to opportunities was seen as critical alongside early planning to mitigate the potential for negative impacts on equalities. This evidence base suggests that, compared to the focus on spatial inequalities and the clustering of disadvantage, there was relatively limited attention to protected characteristics in relation to the challenge and opportunity presented by CRDs and Growth Deals.

It is noteworthy that interviewees framed equalities issues predominantly in terms of gender (generally, women and girls) and, to a lesser extent, in terms of age and disability. A minority of interviewees noted that investment centred on traditionally male-dominated fields of employment and is therefore likely to result in skewed gender impacts. Initiatives targeted on education and training in coding and science, technology, engineering and mathematic (STEM) subjects, particularly for young people and girls, were identified by interviewees as being important for the ‘detail phase’ of the deals. However, similar strategies in relation to older people, people with disabilities, and ethnic minority communities seemed underdeveloped in most deals examined in this report, and at the point of interviews in 2018.

Overall, interviewees regarded the Scottish Government’s inclusive growth agenda as a positive framework in relation to equality issues and as adding a significant additional layer to the deals and how they inform economic development policy in Scotland. However, what some interviewees described as ‘secrecy’ around the development of deals and the lack of clarity around the purpose of the deals in relation to growth and social inclusion are particularly problematic in relation to equalities. Predominantly, the ‘place’ of consideration of equalities and social inclusion is seen to be at project level rather than at the earlier strategic deal-making phase. This carries the clear risk that equalities are envisioned only downstream in terms of specific ‘inclusion projects’.

On a positive note, it must be said that the value of diverse voices early in the deal-making process seems to have been recognised in the more recent deals. Also, interviewees suggested that where existing deals were being re-interpreted and re-designed, these voices were more strongly integrated now. The Scottish Government’s Equality & Human Rights Commission’s training initiative and capacity building activities on equalities impacts (EHRC 2017) was welcomed by many interviewees, and also the development of a diagnostic toolkit, developed by the Scottish Centre for Regional Inclusive Growth (SCRIG 2020) was regarded as a positive step. However, the extent to which this had a meaningful shift in terms of the type of projects and activities that are supported remains to be scrutinised.

Considering the monitoring of CRDs and Growth Deals, the highly complex multi-level nature of the deals means that each level of government has its own information requirement linked to its own policy agenda and monitoring culture. There is, therefore, no uniform monitoring system for the deals. Admittedly, their bespoke nature would make it difficult to establish one. This, of course, means that the overall impact of the deals on equality and inclusion is difficult to determine. Moreover, deals are not obliged to use specific indicators, meaning that there is a potential for equality issues not to be monitored at all. A related question is whether existing monitoring systems are sufficiently responsive to changing needs. For example, as new crises emerge – such as the COVID-19 virus pandemic or the cost of living crisis – policy agendas will quickly change and monitoring frameworks need to adapt. Furthermore, although there may be monitoring systems and indicators that can capture outcomes at the operational level – i.e. specific project outcomes
it is not clear how project level information will be channelled to monitor a deal as a whole, and inform strategic decision-making by those that are ultimately responsible for the delivery of it.

It seems that the Scottish Government’s notion of inclusive growth has, in some cases, positively changed local practices of monitoring programmes for economic development, including CRDs and Growth Deals. The report also presented evidence of capacity-building efforts at the level of local authorities for monitoring as officials are trained to understand, analyse and monitor equality issues. However, notwithstanding the significant capacity-building efforts by the EHRC, much of this appears to take place in isolation and there are currently no frameworks dedicated to ‘cross-deal learning’ in Scotland (and the UK).
7. Key learnings for future policy and practice

A range of key learnings for future policy and practice flow from the analysis in this report. It is hoped these will inform the ongoing delivery of CRDs and Growth Deals - as well as any future similar regional development programmes - to ensure they are better equipped to meet the goal of ‘growing equality in Scotland’:

- Social inclusion and considerations around poverty and inequalities should be integrated more strongly and explicitly into deal processes and projects. This would help give greater expression to the Scottish Government’s ‘inclusive growth’ agenda and should extend the narrow understanding of paid employment as the sole driver to social inclusion. Furthermore, deal processes and projects should address the need for a fast transition to a ‘Net Zero Economy’;

- The delivery of existing deals, as well as the development of any future ones, should be fully transparent in order to allow early scrutiny and provide opportunities for a wider set of stakeholders to engage in their development and subsequent delivery. This could include a publicly available register of those who consulted on the deals;

- Third sector actors should be considered as key to both the delivery of existing CRDs and Growth Deals, and in the development of future deals and projects within them. This should be achieved through the introduction of robust, and meaningful, participatory frameworks. The Scottish Government’s inclusive growth agenda provides a potential framework to extend such partnerships to all deal stages (design, implementation and evaluation) and place third sector and other non-traditional partners at the heart of the process, and on a more equal footing;

- Individuals directly affected by inequalities should be involved in the delivery of projects, also through participatory frameworks;

- A robust monitoring and evaluation framework - possibly directly linked to the Scottish Government’s National Outcomes, as embedded within the National Performance Framework and mapped to the UN’s Sustainable Development Goals - is required to capture the impact of each deal on equalities and social inclusion within and across the territories it covers. This framework should be used to inform delivery on an ongoing basis, with the data transparently published to drive learning and accountability;

- Any future economic development instrument similar to CRDs or Growth Deals should include a comprehensive overarching framework that sets out equality strategies and monitoring indicators; this includes instruments around the UK Government’s ‘levelling up’ agenda, for example the ‘freeport’ initiative, and around the COVID-19 recovery agenda;

- To date, the development of CRDs and Growth Deals arguably has pitted cities and regions against each other in competition, resulting in reduced transparency of deal-making. This, in turn has led to the exclusion of a range of stakeholders, in particular the third sector. In the future, such competition should be minimised and opportunities for cross-deal learning developed.
References


Interview 1. Senior council official
Interview 2. Senior council official
Interview 3. Non-governmental expert
Interview 4. Senior council official
Interview 5. Senior council official
Interview 6. Senior council official
Interview 7. Senior council official
Interview 8. Non-governmental expert
Interview 9. Senior council official
Interview 10. Senior council official
Interview 11. Council official and city region deal consultant
Interview 12. Senior council official
Interview 13. Non-governmental expert
Interview 14. Senior council official
Interview 15. Non-governmental expert
Interview 16. Councillor
Interview 17. Senior council official
Interview 18. Senior council official


