

# 2017

Local Government  
Election Manifesto

# LOCALISM FOR GROWTH

Scottish  
Conservative  
& Unionist



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# Foreword

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I am delighted to publish our manifesto for the Local Government elections on May 4th.

This year's elections are vitally important. Voters have a clear choice – electing strong local voices who will focus all their energies on improving local services or voting to go back to the divisions of the past.

This year, we are standing up for everyone in Scotland who wants to send the SNP a message.

No to a second referendum on independence.

And yes to government that gets back to the day job.

After ten years in power in Edinburgh, the SNP has spent more than enough time using its power in Scotland to focus on constitutional division.

It's time for a change.

Time for politicians at all levels to focus on the things that really matter – the standards in your local school, the quality of life in your neighbourhood, and the state of our public services.

Because there is so much we can – and must - do, right now.

Under the SNP, the once-proud reputation of Scottish education as the envy of the world is sadly no more.

So rather than pushing for separation, Scottish Conservative councillors elected in May will work to ensure Scottish pupils get the best start in life possible.

Under the SNP, power has been taken away from local councils - creating a centralised police force.

So rather than creating a more powerful Nationalist government in Edinburgh, Scottish Conservative councillors will strive for real devolution in Scotland – back to your city, your town, your village.

And, under the SNP, our economy is now in reverse – indeed Scotland now stands on the brink of a recession.

So, rather than trying to manufacture a case for independence, Scottish Conservative councillors will work to put life back into your local economy. And with Council Tax going up across Scotland, we will strive to ensure more money stays in your pay packet.

The Scottish Conservatives are now in a position to really make a difference on these issues - wherever you live in Scotland.

At last year's Holyrood elections, we became the main opposition party, beating Labour into third place.

And at this election, we have council candidates in every single part of the country – including many local people standing for the very first time.

That means, no matter where you live, a vote for the Scottish Conservatives really counts.

So, if you oppose a second referendum, if you want to see the SNP held to account, and if you want to see government get back to what matters in our country – we are here for you.

I ask for your vote.



**Ruth Davidson MSP**

**Leader of the Scottish Conservative and Unionist Party**





# Introduction

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Scotland is becoming one of the most centralised countries in the Western world.

Power is delivered in a top-down manner and taken away in the same way.

This is unhealthy for democracy and accountability and unhealthy for the outcomes that people deserve.

Scotland's growth levels have lagged behind the rest of the UK for the last 3 years. We believe that economic growth and where power lies are the linked issues at the heart of this election. We do not think more centralisation is the answer to Scotland's economic underperformance – in fact, centralisation is the cause of it.

The SNP Scottish Government reserves for itself the power to make the vast majority of economic decisions, so local authorities have been relegated to mere service providers.

We need to empower councils and given them a renewed sense of meaning and purpose. They can and must be the engines of growth.

As Holyrood has taken more powers so its distrust of local decision-makers has increased. For all their warm words about decentralisation, the SNP's route map leads only one way – to Holyrood.

They have a basic distrust of local government.

Our view is the opposite. We believe that decisions should be taken as locally as possible and that power should lie with politicians elected as locally as possible.

Too many decisions are taken in Edinburgh without a real understanding of the particular, and differing, circumstances of the communities affected.

The decision to increase council tax in the top four bands but use the money for a national scheme was a glaring example of the SNP's centralism.

The involvement of local business people in the governance of their communities has dwindled and their energy and innovation has been lost.

Local economic leadership has disappeared where it previously existed.

We need to reverse these trends.

We need to empower local places by letting them take the initiative to generate local growth, in partnership with central government.

There are different models for this – City Deals and Growth Deals for example – but the principle is the same.

With initiative will come responsibility. And we must ensure that the incentives and structures of local places are organised in such a way as to secure the greatest possible economic contribution, with each area able to play to its natural strengths.

It is these principles which are at the heart of our approach to local government. This is not localism for its own sake - this is localism with a purpose.

This is localism for growth.



**Graham Simpson MSP**  
**Local Government Spokesman**







# Local Government as an Engine of Growth

## KEY POLICY PROPOSALS

- **A more flexible local government structure**
- **Better accountability through directly elected provosts, if there is demand**
- **Closer cooperation with businesses and the third sector through formal Local Growth Partnerships**

*The Scottish Government has for too long seen local government as an obstacle in pursuit of a central agenda. Instead of seeing councils as partners with a real stake in economic growth, prosperity and wellbeing, the Scottish Government has centralised decision making and gutted local funding. At the same time we have seen Scottish GDP growth, productivity levels and business confidence lag behind the rest of the UK. Centralisation is not the answer to reversing Scotland's economic underperformance over the last few years – it is the cause of it.*

*In January this year the UK Government began outlining Britain's new industrial strategy. The ten pillars on which it rests include a number of functions in which local authorities should take the lead, in partnership with business and the third sector: developing skills, upgrading infrastructure, supporting businesses to start and to grow, encouraging trade and inward investment, delivering affordable energy, cultivating world-leading sectors, and driving economic growth. As the consultation paper put it: "strong and accountable place-based governance—with a clear business voice—will be critical to making the most" of the additional investment the United Kingdom government is putting in place.*

*This is echoed in research, for example like that undertaken for the think-tank Localis. Successful local areas are home to schools and colleges that attract young and highly educated people as well as businesses to their area. They invest in strong local transport links, so that people can access a wide range of job opportunities. And they foster "an enterprising culture where entrepreneurs and job-creators are provided the space, talent and structure to thrive". These will be our priorities for councils across Scotland.*

*All of this would be essential with or without Brexit. The United Kingdom's decision to leave the European Union, however, presents both challenges and opportunities, including for local authorities. The Prime Minister has spoken of how she wants the United Kingdom to become one of the great global trading nations – a beacon of free trade. Local authorities can play a leading role in making this happen, by attracting inward investment, by promoting national and international trade in goods and services produced locally, and by delivering world-class infrastructure (including digital) to keep our economy moving, growing and thriving.*



Proper governance structures are crucial to locally-driven economic growth. Calls have periodically been made since the 1994 local government reorganisation to re-evaluate the number and size of Scotland's councils. We do not think embarking on another top-down restructuring of local government in Scotland is what is required today. We do, however, recognise that devolution has fundamentally changed the governance of Scotland. Yet the role of local government has not been re-examined since the creation of the Scottish Parliament in 1999. This is especially important in the context of significant fiscal devolution widening the gap between the range of tools available to the Scottish Government and the overreliance on central grant funding for local authorities.

There are examples across Scotland of decisions being made strategically in cooperation between councils, as well as of decisions being delegated more locally. Several local authorities have now decided to work together through the UK Government's City Region Deals or Growth Deals, but this needs to be encouraged further and – if desirable – put on a statutory footing. On the other side of the spectrum, we have seen councils devolving powers further down through the use of Area Committees and this too is something to be encouraged. **The Scottish Government should not turn a blind eye to structural reform**, but this should be organic and not a one-size-fits-all exercise.

## Councils as Engines of Growth

The Scottish Conservatives will argue that our councils - and our cities in particular - should become Scotland's engines of growth. The evidence over the last few years is clear - Scotland's economic competition today is with the empowered and growing cities of Manchester or Liverpool or Birmingham. Driven by directly elected accountable leaders, with significant powers and a strategic remit, England's cities compete on the world stage for investment. We believe that, if there is local support, there would be merit in **directly elected provosts** for cities, councils or regions in Scotland. Such further devolution deals should be coupled with **greater powers over planning, taxation and capital spending** devolved more locally.

For economic growth to be driven locally, we need to see local government work in close partnership with business leaders to agree strategic objectives in areas of planning, capital spending or skills. Models like **Local Growth Partnerships** and Growth Accelerators should be rolled out across Scotland. These would bring local business and civic leaders together to provide the vision and leadership to drive sustainable economic growth and create the conditions to increase private sector jobs in their communities. Their boundaries are intended to reflect functional economic markets so their work can build on local strengths, in rural as well as urban areas, and identify the local barriers to growth. Local areas would have considerable discretion about the composition of LGPs, provided they are chaired by a business person and at least half their members are from the private sector.

The third sector, however, has just as an important role to play in local economic development. Inclusive economic growth is not just the latest politically fashionable phrase – it signifies the increased understanding of the importance of social responsibility amongst businesses themselves. Scotland's network of social enterprises, for example, has led the way in showing how profit from a successful business can be reinvested back into communities with positive knock-on effects on crime levels, homelessness or health inequalities. Charities and other third sector organisations often have a better understanding of the issues faced by our communities. Their input into policymaking is in our view essential on all levels of government.

**More powerful local authorities should also mean more autonomous local authorities.** We need to review whether local authorities should remain within the remit of the Standards Commissioner as we know concerns exist regarding councillors' ability to express an opinion on planning matters in particular. Local Codes of Conduct may be more appropriate. We also think that any new council post above a certain salary level should be automatically reviewed for value for money after two years and would encourage councils to do so.

## Environmental Protection alongside Economic Development

In the rest of this document, we outline policies and approaches that will allow local authorities in Scotland to drive economic growth. Economic growth, however, should not come at the expense of the environment. We can no longer think of economic development as a competing force against environmental protection. That is why Scottish Conservatives set out our approach in our Global Challenge, Local Leadership paper earlier this year. It includes a range of policies working towards a circular economy, restoring our natural landscape and driving sustainable development. Local authorities have

a role to play across most of these areas – be it in **setting up new national parks, incentivising the use of electric vehicles or developing district heating networks.**

We have also set out a clear ambition to establish **a 75% recycling rate by 2035**, achieved through a single, consistent, easy-to-use recycling collection system for the vast majority of Scots, supported by a £50 million capital fund for local authorities, with **a new Rural and Island Waste Commission** to develop bespoke resource management solutions in these areas. Landfill and incineration should be seen as an option of last resort, with a moratorium on any new incineration plants.









# Competitive Taxation to Encourage Growth

## KEY POLICY PROPOSALS

- **Business rates reform with more local control and incentives**
- **Greater control over LBTT for councils**
- **A modernised Business Improvement District model**

*The Scottish Parliament has become one of the most powerful legislatures of its kind in the world. It now has the responsibility to exercise these powers to the benefit of the people of Scotland. With the devolution of extensive tax powers especially, it is crucial that they are used responsibly and with economic growth in mind. Both personal and business tax levels should encourage and not hinder entrepreneurial minds.*

*And just as taxation can be used to attract businesses and workers into Scotland, encouraging investment and growth, it can and should be used by local authorities to do the same. However, not only do our councils lack the local discretionary powers over taxation, they have no incentives to attract taxpayers (commercial or personal) either, with any additional revenue flowing directly to the Scottish Government. On top of this, central government has unilaterally increased council tax in all local areas, whilst simultaneously cutting central funding all local areas too. This is not indicative of a sustainable partnership.*

*Scottish Conservatives are the party of fair taxation and all our councillors will make sure council tax bills stay as low as possible, whilst protecting and improving our public services. We will ensure value for money is paramount in procurement, tackle burgeoning local bureaucracy and carefully scrutinise all council spending choices.*

Before the last Holyrood election, there was cross-party consensus about the need to reform council tax. The Scottish Conservatives asked a group of independent experts to advise on tax policy and followed that advice on council tax. While the Scottish Government decided to completely ignore their own commission, the proposals they brought to the Scottish Parliament were unacceptable. They proposed cutting central funding to councils at the same time as the overall Scottish budget was increasing and hiking taxes for over 600,000 households. On top of that, funding from this increase was to be centralised and redistributed based on central government decisions. It was Scottish Conservative opposition that led the SNP to dropping this and it was the Scottish Conservatives who were the only major party to vote against the increases across all four bands too. We are the party of fair taxation and all our councillors will make sure council tax bills stay as low as possible.

We have long called for a review of how business rates operate in Scotland and pushed the Scottish Government into setting up the Barclay Review, which is due to deliver its recommendations in the summer. We do not want to pre-empt this, but there are some clear principles that we believe should be followed in any future reform - **we need to put in place a more responsive, simpler and more flexible business rates system.**

If we want our councils to be the engines of growth, such a system also has to provide for a degree of local control and provide clear incentives to broaden the tax base. Councils already have the power to introduce discretionary discounts and we would like these to be used more.



We have also long argued for broader incentives for local authorities, through letting **councils keep all of their business rates income**, either through an extension of the Business Rates Incentivisation Scheme or a new retention model as part of a new funding formula for local government.

Rates relief is, of course, not the only way to support businesses and their activities. We support Business Improvement Districts, through which a rates supplement is levied in a designated area following a vote by businesses. The supplement then funds specifically agreed projects that directly benefit the paying businesses by, for example, attracting more footfall. We think this is a model that Scotland should build on. **Modern Business Improvement Districts** could be given broader powers in planning policy or be allowed to apply for Compulsory Purchase Orders. They could also be allowed to bid for capital funding from the council or the Scottish Government directly.

Having businesses involved directly in strategic decision-making, be it through Local Growth Partnerships or Business Improvement Districts, will ensure that direct local experience can be utilised in policy making. It is after all in their interest to ensure our town centres, for example, are attractive places for shoppers and visitors.

One of the major tax powers devolved to Scotland is stamp duty, which from April 2015 exists as the Land and Buildings Transaction Tax in Scotland. The Scottish Government's approach to the tax has suppressed a section of the market, with receipts falling short of expectations and long-term LBTT forecasts having to be revised sharply downwards. **We will therefore continue arguing for an extension of the 5% band to £500,000.**

Councils currently have no control over the tax at all, for neither commercial nor residential transactions. This is despite a clear link between council tax and residential LBTT or business rates and commercial LBTT. Both

residential and commercial LBTT, with the latter in particular, can be used to attract developments or workers into local areas, but only if there is an incentive to do so. We therefore believe that the same principles that apply to business rates should apply to **LBTT – it should be a tax retained locally with clear fiscal rules underpinning the relationship between councils and Holyrood.** In addition, councils should have the power to introduce local relief schemes at their discretion.

Councils, in particular in the North East of Scotland, have expressed concerns that the current local government funding mechanism does not treat them fairly and we have called for a thorough, independent review of the funding mechanism for local government. Moving towards a system of full business rate and LBTT retention, with clear incentives and new flexibilities, alongside greater control over capital spending, will require **a new framework to govern the fiscal relationship between local and central government.**



A woman with short dark hair, wearing a dark blazer over a pink top, is smiling and holding a whiteboard. The whiteboard has colorful text and a small graphic of a pencil and paper. The background is a blurred outdoor setting with trees and a wooden fence.

READ ON  
GET ON

All children  
reading well by  
the end of  
Primary School.

# An Educated and Healthy Population to Fuel Growth

## KEY POLICY PROPOSALS

- **Autonomy, diversity and teaching excellence in our schools**
- **Childcare targeted at the youngest children**
- **A flexible skills system that works for local businesses**

*Scotland has fallen behind in world rankings for literacy, numeracy and in science. This cannot go on. The SNP has let down a generation of Scotland's children for whom it is too late to get back their school years.*

*We recognise and celebrate the many achievements of Scotland's schools, including the very dedicated commitment from teachers. However, reform is needed and we will continue to make the case for an educational system based on diversity in schools, autonomy for school leaders and a focus on basic literacy and numeracy. We remain supportive of introducing a range of schools run outside of council control, where there is demand, but also want to see powers devolved to school leaders in the existing model. If there are state schools which wish to be autonomous in controlling budgets, recruitment policies or school management, they should be permitted to do so.*

*To tackle the attainment gap, we need to be providing appropriate support from the beginning of a child's life through more flexible childcare, extended to vulnerable one and two year olds. In addition to a presumption of school control, we need to focus on attracting the best teachers through several routes to improve numeracy and literacy rates. We also need to be bolder in measuring our education system. We welcome recent moves towards national assessments, but Scotland should also enter all the main international comparison tests and improve independent evaluative research on what works.*

There is cross-party consensus about the need for early intervention if we want to start closing the attainment gap. The benefits of introducing active play or encouraging reading and language development early are well documented. All parties have therefore supported extending free childcare, although we differ in our emphasis. While the Scottish Government plans to double childcare provision for all 3 and 4 year olds and a small proportion of 2 year olds, we believe the **priority should be extending hours to a higher proportion of disadvantaged 2 year olds and disadvantaged 1 year olds**. This approach would also have an impact on parents' labour market participation as it would close the gap between statutory parental leave and free childcare hours. **Hours should be available fully flexibly** to allow parents to choose when in the week to use them and at which registered childcare providers.

## Educational Excellence in our Schools

While the attainment gap begins opening up at the earliest ages, our school system should provide for all pupils regardless of background, helping all achieve their potential. However, quite the opposite has been happening in Scotland. The differences in attainment between pupils from poorer and richer backgrounds remains, poorer students are less likely to go to university than their counterparts in other parts of the UK and we are going backwards in international ratings.

Scottish Conservatives have for long suggested reforms to the comprehensive one-size-fits-all model in Scotland, some of which the Government has finally decided to take forward – for example a more rigorous testing regime. The current governance review and the announced national funding formula consultation offer the chance to go further. We believe diversity and choice should be at the heart of the Scottish educational system, with **a broader range of government-funded, but autonomous, schools allowed to be set-up where there is demand** and with **more powers over day-to-day decisions being devolved to headteachers** too.

We support the Curriculum for Excellence but its delivery has been shambolic. Many in the teaching profession warned this would be the case and so it has proved. We are therefore conducting our own review of the delivery of the CfE, and will report back with recommendations in the coming months. We are clear that we **need to ensure that basic literacy and numeracy and fact-based learning are at the centre of the curriculum** in order to ensure that all pupils have the necessary skills for further learning and employment. At the same time, we need to improve how we measure performance across our schools by both re-entering all major international tests as well as more independent evaluative research.

School structures and devolving powers to headteachers are only one side of the equation – ensuring we can attract the best teachers into our schools is the other. We will continue to support a **Scottish version of TeachFirst being set up as well as new bursaries targeted at attracting the best graduates into priority subjects**. We must also be more flexible to allow teachers with UK or equivalent international qualifications to teach in our schools with minimum restrictions.

## A Flexible Skills System

A key feature of our educational system should be a link to business demand, ensuring we develop a skills base for the future. The outcomes of the government's enterprise and skills review are unclear at the moment, but we believe **there is a case for a more flexible skills and business support framework, reflecting different local circumstances**. Local Growth Partnerships, for example, could have more input into the design of apprenticeship frameworks, control over Business Gateway, or be encouraged to set up further regional skills academies.

The introduction of the Apprenticeship Levy should be seen as an opportunity to directly involve businesses in the design and delivery of skills training. Scottish Conservatives have set out our approach last November, arguing **all of the funding should be ring-fenced for in-work training only** and used to gradually expand the number of apprenticeship starts to 35,000 as well as provide more bit-sized training opportunities.

We also want to see the number of apprenticeship frameworks expanded, incentives introduced to close disparities between genders in specific apprenticeship frameworks, as well as helping disabled people and care leavers access apprenticeships and attract workers above the age of 25 through new Lifelong Apprenticeships. For smaller training opportunities, we argued for the introduction of a Flexible Skills Fund divided up by sector corresponding to levy-paying businesses and their supply chains.

## Tackling Health Inequalities

Economic growth depends on an educated and skilled workforce, but an even more fundamental prerequisite is lower health inequality and better physical and mental health. An active lifestyle therefore should be at the



heart of our educational and health systems. In one of the first pieces of research work after the 2016 election, we consulted with a broad range of stakeholders and published a Healthy Lifestyle Strategy, which outlined a range of policies aimed at improving the preventative health approach in Scotland. Local authorities have a huge role to play here too.

**We think that the use of school buildings and their facilities should be extended beyond the school day into evenings and weekends** and leisure trusts and community groups should have access to them. **Overcoming barriers to participation should also be a priority**, be it through improved community transport solutions, the provision of small sporting grants or subsidised access to community sport facilities to low income families. **Investing in continual professional development** for nursery and school teachers as well as helping those interested in becoming coaches or mentors should also be pursued.

An active lifestyle will result in better physical health, but there are significant knock on effects on mental health too. It seems clear to us that we need to improve access to mental health professionals and cut waiting times through a long-term strategic approach and a significant funding boost. Mental health was identified as one of the Scottish Conservative priorities in the new Parliamentary session

and one of the first policy documents we published was on mental health. In it, we made clear that **mental health support should be provided in each GP surgery and A&E departments 24/7** – something the Scottish Government has recently adopted. However, we must go further and encourage a mental health focus in workplaces, mental health champions in our councils, greater support in our schools through counselling, improved provisions for acute mental health problems as well as tackling social isolation in old age.

Health and Social Care Partnerships are in their early stages and their effectiveness cannot yet be properly judged. Although there is cross-party support for closer integration, there are some concerns over the loss of democratic accountability and an increase in centralisation since they were formed. This needs to be addressed. As Conservatives, we believe in choice and **we will continue to champion self-directed support**, the delivery of which has been patchy at best.

Councils have also complained of a serious underfunding of the new partnerships. With an ageing population, this simply must not continue. Partnerships must work to ensure that people stay in hospital for as little time as possible and those who need help to return home are given it. This is particularly true for those at the end of their lives.







# Planning and Housing to Enable Growth

## KEY POLICY PROPOSALS

- **A locally-led planning system that people can trust**
- **100,000 new homes over the Parliament through a package of measures**
- **Energy efficiency push to ensure Scotland has no hard to heat homes by 2030**

*Economic growth goes hand in hand with population growth and we are absolutely clear that housing has to become a priority for all levels of government over the coming years. The importance of housing supply cannot be understated. Scottish Conservatives will continue to argue that we need a focus on all tenures and an all-sector target to return to pre-recession annual levels of house-building.*

*New build homes, however, will only ever be one part of the equation. We need a concerted effort to bring the over 30,000 empty properties across Scotland back into use. Improving our existing housing stock to bring it up to high energy efficiency standards is one of the best forms of investment our government can make – reducing fuel poverty, helping tackle climate change and with knock on impacts on physical and mental health.*

*A focus on housing means changes are required to our planning system, which has not only lost confidence of local communities due to centralised decision-making, but also stifles development due to persistent delays.*

Scotland's planning system is still plagued by delays and the number of decisions overturned centrally is significant and unacceptable. We are quite clear that any future reform must be driven by two objectives – making the system locally-driven, with full confidence of local communities, and improving the speed of decision-making. This should involve an **improved consultation process during the drawing up of local plans, but also a limiting of appeals that are made to central government.** We believe a straightforward way to do this would be to stop central appeals if applications and decisions are made in line with local development plans and by planning or area committees – these appeals should only be heard in full council or a local appeals committee.

The importance of our greenbelt cannot be understated. We should therefore also allow councils to impose moratoria on greenbelt development if they so wish. We

also think that the **case for a limited third party right of appeal should be re-examined.** Stakeholders also tell us that they would not necessarily mind paying higher planning fees if this resulted in improved performance. We should therefore explore whether **local authorities could levy planning fee supplements in return for guaranteed faster decision-making,** with full refunds if such guarantees are broken.

## A Clear Focus on Housing

A faster and more responsive planning system is crucial if housing supply is to become a focus of policy. We have been making the case for an **all-sector all-tenure target** to gradually return to pre-recession house completion of around 25,000 every year. This would mean over **100,000 houses being built over the course of the**





**Parliament.** This will require a combination of policies, but we are clear that more needs to be done on brownfield building, offsite construction and self-build.

**Brownfield land registers should be established and a presumption to build on** brownfield where housing is a major component of the planning application introduced. The Scottish Government, in cooperation with local authorities, should also establish **developer forums, online portals or workshops to help smaller builders.**

On self-build, the potential for growth in Scotland is significant. In many EU countries self-built homes account for a majority of all homes built, in contrast with around 10% across the UK. We believe councils should **develop serviced plots and make them available with plot passports** that would not require planning permission. Furthermore, councils could mandate a **percentage of large housing developments to be set aside as such serviced plots.**

Housing regulation also needs to be addressed. We believe that the issuing of building warrants has been too lax in the past and tougher regulations need to be introduced. As Conservatives, we believe that home ownerships should be encouraged and **councils could offer first time buyer council tax discounts** (under local relief schemes) and possibly free conveyancing.

## Upgrading Existing Properties

Building new homes, however, can only be a part of the solution. We know there are around 34,000 empty homes across Scotland, over double the number of new houses built last year. A mixture of new incentives and stronger regulation should be introduced to bring these properties back into use. We will continue arguing for a **Help to Rebuild** scheme to be introduced in Scotland, which

could bring together disparate grant schemes under one easily accessible umbrella programme. We would also want to **encourage empty business premises being turned into affordable housing as well as “Home on the Farm” schemes** helping farmers convert empty buildings into housing.

On the regulatory side, it seems clear to us that forcing a sale of a long-term empty property, where there is an unknown or uncooperative landlord, should be an option available to councils as a matter of last resort. We'd like to see **new guidance on Compulsory Purchase Orders** for single dwellings issued to speed up the process for councils. Furthermore, **Compulsory Sale Orders for domestic properties should also be introduced**, which would force an empty property onto the open market if all other options have been exhausted.

Investing in energy efficiency is a way of reducing Scotland's carbon emissions as well as tackling unacceptable levels of fuel poverty. With clear knock-on effects on physical and mental health, it seems obvious to us that this should be a policy priority for all levels of government. Focusing on the least energy efficient homes first would mean reaching the most remote parts of Scotland under a truly national infrastructure project, creating thousands of jobs in the process. We should utilise significant capital investment, a range of loans, LBTT and council tax discounts as well as greater regulatory control backed by incentives across all tenures.

Scotland's capital budget allocations received a significant boost over the course of the Parliament and we will continue arguing for much of this funding to be spent on energy efficiency as a national infrastructure project. With the energy efficiency budget line gradually increasing to 10% of the capital budgets, we would be **investing over £1bn in energy efficiency measures** over this Parliament. This would allow us to take concrete steps to eliminate hard to heat homes across Scotland by the end of the next decade. Any new regulation will require full confidence in the energy efficiency rating system and to that end, the current EPC assessment framework should be reviewed.





# Transport and Infrastructure to Drive Growth

## KEY POLICY PROPOSALS

- **A capital infrastructure challenge fund for Local Growth Partnerships**
- **Expanding community transport in local areas**
- **Extending the Community Broadband Scotland programme**

*Appropriate physical and digital infrastructure is key to driving economic growth across our local areas. Capital investment decisions are, however, still driven centrally, with less than 20% of Scotland's capital budgets devolved locally. Moving towards a system of locally-driven growth, with a partnership of equals between central and local government and close links to the business community should therefore involve a larger share of capital spend decided locally.*

*Today, broadband access is just as important as a phone connection and is simply essential for personal and business use. The rollout across our rural areas especially has been slow, although ambitious targets have been put in place for the next few years. We must do all we can to ensure the promises by both the UK and Scottish governments are met.*

*The state of our roads is mixed. Where some councils have made roads a priority, too many have not. While this is largely a local matter, we should encourage councils to invest more in this area, for example, through providing central grant funding to be matched from local resources. Similarly, expanding opportunities for active travel or community transport has to be done in partnership between councils and central government.*

*But infrastructure is not just about broadband, housing stock and transport. It is also about identifying and investing in local assets. When we think about what makes places tick, we find different answers in different parts of the country. In Edinburgh, we think of tourism, the Castle and the Festival, of higher education and learning, and of banking and financial services. In Glasgow we think of concerts, events and exhibitions, of life sciences, and of retail. In the North East we think of energy, oil and gas, whisky, and food and drink.*

*This shows why one size does not fit all—why each part of Scotland needs its own, bespoke, locally designed and locally delivered strategy for effective economic investment and growth. For the growth that Glasgow needs is quite different from what Edinburgh needs. And the demands of the North East, of the Highlands, of Ayrshire or of the Borders are different again.*

Place-based growth, which is what we have been arguing for throughout this manifesto, requires different places to identify the assets they already have that contribute to the local economy. These assets are strikingly different across Scotland, from the landscape of the Highlands (and the tourism it attracts) to the buoyant video-games industry in Dundee, and from the state-of-the-art entertainment facilities of Glasgow's SEC Hydro to Edinburgh's ancient and world-leading institutions of higher learning.

How do we ensure sustainable, inclusive economic growth across this rich and varied landscape? By giving local authorities the powers, the capacity, and the incentives—whether alone or in newly emerging clusters such as City Regions—to build on and to develop the assets that make their economies shine.



Scotland's capital budgets are due to increase significantly above inflation over the course of the Parliament, with additional capital borrowing power at the disposal of the Scottish Government. And yet, less than 20% of Scotland's capital budget allocations are then made available to local authorities to spend on their own priorities. This balance should be re-examined, with **more national funding pooled into a capital challenge fund that Local Growth Partnerships** could seek funding from. This should be combined with an expansion of the Growth Accelerator model that unlocks private funding alongside public investment under a clear set of rules on what's expected from both parties.

## Digital Infrastructure

Digital infrastructure is becoming ever more important, not just for personal use, but for business development as well as, increasingly, new public service delivery models. It was the Conservative Party that has decided to **introduce a Universal Service Obligation for broadband**, allowing every single premise across the UK to legally request broadband by the end of the decade.

The Scottish Government has committed to extending the minimum target speed to cover superfast broadband, although the details of the delivery are unclear as of yet. We will encourage both governments to work in partnership to ensure as fast a rollout as possible. Community-led solutions can work well to bridge the gap in the meantime. We will continue to argue for an extension and expansion of the **Community Broadband Scotland programme to include individuals, businesses and the third sector** in addition to community bids.

## Transport Infrastructure

Physical infrastructure to enable the movement of people and goods across Scotland is crucial to economic growth. For rural areas in particular, investment in the road and rail networks is vital. Rail investment in particular has been lagging behind levels in the rest of the UK and our rail infrastructure is simply not future-proofed. For many road users, the state of roads in their local areas is of major concern and we have long supported a central **Road Maintenance Fund** to allow local authorities to fix potholes much faster.

Our local bus networks also vary widely between local authorities. Recently, calls have been made to explore further and clearer franchising powers for councils, similar to the ones legislated for through the UK Government's Bus Services Bill, which would allow councils to adopt models like the ones in Edinburgh or London. While there will be details that will need sorting out, for example cross-council use, we do believe such **an enabling power over bus franchising should be made available to local authorities**.

In addition to further powers over main bus services, community transport networks can be invaluable for local residents, especially elderly people across our rural areas. Community - and charity - run buses are often the only direct link to health care as well as friends, family or recreation. Support for community transport is patchy at best and we will continue arguing for **an extension of the national concessionary travel scheme to community transport, alongside a community transport capital fund** to support new vehicles as well as the installation of new ticketing machines.

Active travel is not only the most affordable and, for many, accessible form of travel, it has clear benefits for the environment as well as physical and mental health. Local authorities, in partnership with central government and the third sector should work towards improving their local walking and cycle path network.

As an overarching aim, we should work towards **providing at least one segregated cycle route in each of Scotland's seven cities**, linking from outer city limits through city centres.

## Investing in Assets

Of course economies, whether rural or urban, need modern, fit-for-purpose connectivity in terms of road, rail, and broadband. But local authorities also need to be able to compete for growth and to compete for business, and that means **investing in and promoting the assets that add such value to the local economy**.

Let's take the Glasgow SEC as an example. The concerts, events and exhibitions held in the SEC generate in the Glasgow economy alone £411 million of spending each year. That's more than £1 million spent in Glasgow each day by people drawn to the city because of events held at the SEC. That spending sustains jobs in retail and catering, transport, hotels and catering. Yet, in order to sustain and to build on that business Glasgow needs to keep competing not only with Manchester and Belfast but with Madrid and Munich, Barcelona and Berlin.

Identifying and investing in assets such as the SEC is exactly what the United Kingdom's extensive programme of City Deals and Growth Deals allows local authorities to do - not only in our great conurbations like Glasgow, but throughout the country. **It is essential, however, that local authorities have a rich and holistic view of what infrastructure investment and capital expenditure is for.** It cannot be for roads or for housing alone.

## The Importance of Regeneration

Every bit as important as continuing to invest in successful assets is the regeneration of parts of our cities and rural communities that have done less well in recent years. It is essential that we take an ambitious approach to regeneration. **The transformational change we need is not going to happen if we are timid or unimaginative.**

For too long in Scotland we have built houses but not communities. We all know of housing developments on the edges of our towns and cities where there is nowhere to buy a pint of milk or a newspaper, where there are few facilities for children to play and where there is no public space or community centre for local residents to meet or gather.

**Successful regeneration should mean much more than housebuilding alone.** It should mean creating the conditions in which jobs are created near to where people live. It should mean building communities and community facilities as well as homes for individual families. It should mean leisure facilities that are accessible and attractive. It should mean good schools and nearby GP practices where you can see a medical practitioner quickly.



## **Local Government as an Engine of Growth**

A more flexible local government structure  
Better accountability through directly elected provosts, if there is demand  
Closer cooperation with businesses and the third sector through formal Local Growth Partnerships

## **Competitive Taxation to Encourage Growth**

Business rates reform with more local control and incentives  
Greater control over LBTT for councils  
A modernised Business Improvement District model

## **An Educated and Healthy Population to Fuel Growth**

Autonomy, diversity and teaching excellence in our schools  
Childcare targeted at the youngest children  
A flexible skills system that works for local businesses

## **Planning and Housing to Enable Growth**

A locally-led planning system that people can trust  
100,000 new homes over the Parliament through a package of measures  
Energy efficiency push to ensure Scotland has no hard to heat homes by 2030

## **Transport and Infrastructure to Drive Growth**

A capital infrastructure challenge fund for Local Growth Partnerships  
Expanding community transport in local areas  
Extending the Community Broadband Scotland programme

