

FAIR SHARE

FOR THE NORTH EAST

March 2021

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Our pledges to deliver a fair share for the North East

1. **Delivering fair funding for North East councils**, ensuring local taxes raised in the North East are used to pay for local services in the North East and that local government receives a set fraction of the Scottish Government's budget.
2. **Setting up a new North East Enterprise agency backed by £1 billion** over the next 10 years, to rebuild the North East economy.
3. **Investing to upgrade key roads**, like dualing the A96 between Aberdeen and Inverness and improving the A90 at Laurencekirk and Ellon.
4. **Reopening local railways**, we will review reopening lines and stations across the North East, like the Formartine and Buchan Railway and Brechin and Newtonhill stations, if they will drive local economic growth.
5. **Improving broadband and mobile phone signal** by beginning our plan to rollout full fibre broadband across Scotland by 2027 in rural and northern parts of our country.
6. **Protecting local services across the region from centralisation**, we will re-open the Mulberry Unit at Stracathro and protect rural minor injury units from closure.
7. **Supporting a North East freeport bid** and invest in port and harbour infrastructure across the region.



North East Councils get a bad funding deal from this SNP Government

- **We would create a permanent financial settlement for councils, preventing the SNP Government from raiding their budgets.** This would require the Scottish Government to deliver a ring-fenced percentage of their budget to councils.
- **The Aberdeen City Council receives the smallest share of central government funding of any local authority in Scotland.** For 2020/21, Council tax and business rates made up 60 per cent of Aberdeen City Council's revenue grant from the Scottish Government, with central funding just 40 per cent. At 33 per cent, the share of its revenue budget made up from business rates income was the highest in Scotland and at 27 per cent the share of its budget from council tax was the second highest in Scotland, behind only Edinburgh. (SPICe, Local Government Finance: Facts and Figures 2013-14 to 2020-21, June 2020, p11, [link](#))
 - Aberdeenshire Council also receives a below average proportion of its budget from the Scottish Government. 62.1 per cent of Aberdeenshire's revenue budget came from central Scottish Government funding, below the Scottish average of 64.7 per cent.
- **For the upcoming year, per head funding to Aberdeen City Council is the second lowest in Scotland.** For 2021-22, Aberdeen City will receive 82.2 per cent of the Scottish average in its revenue allocation, below all Scottish councils except for Edinburgh. Aberdeenshire Council will receive 91.7 per cent of the average, Moray 94.0 per cent and Angus 97.6 per cent. (SPICe, Local Government Finance: Budget 2021-22 and provisional allocations to local authorities, February 2021, p22, [link](#)).
- **Many North East businesses were penalised in the 2017 business rates revaluation and the SNP had to be forced to introduce transitional reliefs.** The rates were based on 2015 economic conditions and failed to take into account the impact of the fall in oil prices on the North East economy. (P&J, 2 December 2020, [link](#)).
- **The SNP Government delayed the rates revaluation to 2023, meaning that North East businesses will continue to have to pay rates based on 2015 economic conditions.** These valuations will be based on almost eight-year-old data at that point. The Scottish Conservatives voted for the original revaluation date of 1 April 2022 to be maintained. (Scottish Government, Non-Domestic Rates revaluation postponement: business and regulatory impact assessment, 12 November 2020, [link](#)).

The North East economy has been forgotten by the SNP

- **We will invest £1 billion over the next ten years through a new economic development agency for the North East.** This will follow along the same lines as Highlands and Islands Enterprise and South of Scotland Enterprise in offering business support tailored to the economy of the North East. It would build on the success of the Aberdeen City Deal.
- **Over £2.5 billion of public money is spent each year in Scotland on, economic development and innovation, 3.1 per cent of all public spending.** According to GERS for 2019-20, the Scottish and UK governments together spent £1.8 billion on enterprise and economic development and £754 million on science and technology in Scotland (Scottish Government, GERS 2019-20, August 2020, p34, [link](#)).
- **The UK Budget included £34 million investment for Aberdeen and the North East.** £27 million has been allocated to transform north-east Scotland into a globally competitive hub for cleaner energies such as offshore wind and hydrogen as the industry decarbonises and diversifies. £2 million has been allocated to continue the development of the deal and a further £5 million has been allocated to the Global Underwater Hub in Aberdeen, on top of the £1.3 million in funding announced last year. (STV News, 2 March 2021, [link](#))
- **The UK Government has announced plans to invest up to £16 billion jointly with business into the oil and gas industry through the North Sea Transition Deal.** This will set early targets for the industry to reduce emissions and invest in carbon capture and renewables technology to support 40,000 jobs. Scottish Conservatives fought for this commitment to be included in the Conservative manifesto (BEIS, 24 March 2021, [link](#)).

Major transport lines have been left without improvement

- **We would review the railway lines closed due to the Beeching cuts in 1960s and at other points, with a view to reopening connections and stations that will support local growth.**
- **We have already put forward plans to massively accelerate Scotland's infrastructure.** Our Power up Scotland plan proposed a joint UK-Scottish infrastructure investment vehicle to allow infrastructure projects of national importance in Scotland to be jointly funded and overseen. Our plans included proposals to improve infrastructure connectivity from the rest of Scotland to Aberdeen.

A90

- **The Laurencekirk junction is an accident hotspot.** Plans for an upgrade to cut accidents were revealed at the start of last year, yet Transport Scotland has refused to set a definite timetable due to objections to the scheme. The consultation on the £24 million scheme closed in February 2020. 57 per cent of all speeding offences caught on the A90 happened at the Laurencekirk junction (The Courier, 25 June 2020, [link](#); The P&J, 31 October 2020, [link](#)).
- **Residents have called for the road to be upgraded to a dual carriageway between Ellon and Toll Of Birness.** This was included in Nestrans (the North East's regional transport partnership) 2040 document published in August (The P&J, 6 August 2020, [link](#)).

A96

- **In December 2020, Transport Scotland unveiled its preferred plan for updating the key road between the east of Huntly and Aberdeen.** The road would take a route to the south of Inverurie. Consultants said it would offer better value than the alternative to the north, while having less impact on homes and agricultural land. (BBC, 21 December 2020, [link](#)).

Rail

- Brechin station closed to passenger traffic during the early 1950s and there is currently a study ongoing into the reopening of stations between Aberdeen and Laurencekirk like Newtonhill which closed in 1956 (The Courier, 20 June 2019, [link](#); The P&J, 22 May 2020, [link](#)).
- The Formartine and Buchan Railway closed in 1966 and linked Peterhead and Fraserburgh with Aberdeen.



The North East has been left behind during the SNP's broadband rollout

- **We would work with the UK Government on a joint programme of full fibre broadband delivery in Scotland to complete the rollout by 2027.** This would be a programme of public investment as a successor to R100 targeting those areas that would not see a rollout of full fibre as a result of commercial activity. Full fibre broadband is necessary for the rollout of 5G mobile technology.
- **Our programme would prioritise rural and remote parts of Scotland.** We would switch the final part of R100 (LOT 1: North Scotland and the Highlands) to be the first part of our new full fibre programme, ensuring that areas that get left behind are the first to receive support).
- **The SNP promised to complete their R100 superfast broadband programme by 2021, yet rollout in the North East will not be completed until five years later in 2026.** They only just signed a contract for LOT 1: North Scotland and the Highlands late last year (STV, 17 March 2021, [link](#)).
- **Fergus Ewing promised that he would resign if the 2021 rollout target was missed.** “If I don’t deliver this by 2021, I think it will be time for Fergus Ewing to depart and do something else and leave the job to somebody else. But I can assure you, we’re on the case.” (ISP review, 30 May 2018, [link](#)).

The North East NHS has been underfunded

- **Funding for NHS Grampian had been £239 million short of its official target over the last decade.** Data obtained from SPICe showed in 2019-20, cash allocated to NHS Grampian was £7.7million short of the target set by the Resource Allocation Committee target. In previous years, the shortfall had been larger. For example in 2009-10, it was £34.5 million, over the last decade, the total shortfall came to £239 million. (P&J, 21 February 2019, [link](#); 4 February 2020, [link](#)).
- **We called for a review into the NRAC formula.** In October 2019, when Audit Scotland reported a £90 million deficit in NHS Lothian Miles Briggs said: ‘The formula for funding each health board must be reviewed so that we are not in the same position in a few years’ time’. (Edinburgh Evening News, 29 October 2019, [link](#)).

Mulberry Unit

- **The Mulberry Unit at Stracathro Hospital closed to acute inpatients in 2017 due to a shortage of junior doctors.** This meant that Angus patients were forced to go to Carseview in Dundee. Relocating Mulberry patients to Carseview was supposed to be a short term measure but was made permanent in 2018. (The Independent Inquiry into Mental Health Services in Tayside, 5 February 2020, [link](#)).
- **There were calls to reopen the Unit in February 2020, after an inquiry by Dr David Strang into mental health services in Tayside warned that Carseview had limited facilities compared to the Mulberry.** The report said: ‘The patients who moved in 2017 from the Mulberry Ward at Stracathro to the Mulberry Ward at Carseview Centre were very aware that the facilities were not as extensive as at Stracathro. The ward has limited facilities in comparison and does not have access to gardens, open air and to as much light, which were all features at Stracathro. A number of members of staff have also commented on this deterioration in the environment for Mulberry patients’. (The Independent Inquiry into Mental Health Services in Tayside, 5 February 2020, [link](#)).
- **The inquiry into mental health services highlighted negative evidence given by patients.** It said: ‘This closure (described by NHS Tayside as a relocation, not a closure) was implemented at short notice as a contingency measure, on account of a shortage of suitably qualified medical staff. Staff, patients and families were given very short notice of the move. The result was that staff were required to travel to and from Carseview Centre from Angus, a distance of 35 miles, an arrangement which continued for more than two years’. (The Independent Inquiry into Mental Health Services in Tayside, 5 February 2020, [link](#)).
- **We called for a partial re-opening of the unit in October last year after figures showed calls to a national helpline had rocketed during lockdown.** NHS 24 data showed calls to its mental health line had topped more than 32,000 between February and September of 2020. SAMH reported that almost half of those who were receiving mental health support pre-lockdown felt they are not getting the care or treatment they needed. Liam Kerr said: ‘To be blunt, the lack of an inpatient facility in Angus worsened matters even before lockdown. There is an excellent facility, there are excellent practitioners in Angus and Tayside, and more will come on board with the necessary recruitment. (P&J, 5 October 2020, [link](#)).



MIU

- **In August 2019, it was announced that Banff MIU at Chalmers Hospital would be closed during night time hours.** The Aberdeenshire Health and Social Care Partnership said it had been carrying out reviews of MIUs across Aberdeenshire, and members had agreed to move forward with changes to the Banff MIU at Chalmers Hospital. They claimed the decision would safeguard the future of the service and ensure high quality healthcare in the north-east. (P&J, 29 August 2019, [link](#)).
- **In March 2020, Aberdeenshire Health and Social Care Partnership closed access to several Minor Injury Units with immediate effect.** They said: 'Across Aberdeenshire there will be changes to the way our Community Hospitals operate during our response to COVID-19 and following the announcements from the Prime Minister and First Minister... All of our Minor Injury Units across Aberdeenshire except for our three largest units at Fraserburgh, Peterhead and Huntly will close with immediate effect'. (Grampian Online, 24 March 2020, [link](#)).

The SNP refused to back freeports until being forced to u-turn

- **The SNP finally dropped their opposition to freeports in January 2021.** The trade minister had previously dismissed the ports as a distraction from the negative impacts of Brexit and threatened to block them, while SNP Conference supported a motion asserting that they would deliver ‘low-cost, low-wage, low-value opportunities’. However, in January the SNP finally said they would adopt the UK Government’s plans and create ‘green ports’ offering ‘streamlined planning processes and a package of tax and customs reliefs’ in special areas (Herald Scotland, 21 January 2021, [link](#)).
- **The Scottish Chambers of Commerce welcomed the u-turn as it will allow Scottish businesses to ‘compete around the globe’.** Dr Liz Cameron, chief executive of the Scottish Chambers of Commerce, said: ‘Businesses needs all the tools in our toolbox to enable us to grow and to compete with freeport models across the globe. Scotland’s green ports approach, which couples the incentives of a UK-freeport model and Scotland-specific initiatives, has the ambition to drive business growth and job creation. This is an important step to ensuring Scotland remains attractive and competitive to domestic and international investors’ (Herald Scotland, 21 January 2021, [link](#)).
- **We would support a bid for a freeport in the North East.** A freeport would deliver many benefits for the North East as they encourage trade, create jobs and regenerate communities.
- **We would also take steps to support the North East’s other ports to thrive.** We would support trust ports to submit joint bids, for freeport status or other opportunities, while also working to support all ports by reviewing planning regulations, utilising enterprise zones, incentivising diversification and ensuring they benefit from the UK Shared Prosperity Fund.

