

A Better Relationship: A Fresh Agenda For Scotland's New First Minister

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Our
Scottish Future



Introduction

Devolution was never supposed to be solely about doing things differently. The intention was always to find the right balance between the autonomy Scotland desired, and the cooperation across the UK we required.

Our Scottish Future stands for devolution. We believe Scotland's best interests are served through a powerful parliament in Scotland working cooperatively with the rest of the United Kingdom on the things that matter to all of us.

This paper today sets out some fresh suggestions of where we believe the new First Minister of Scotland can work together with the current UK Government. On the cost of living, on the future of the NHS, on our environment, and across our communities, there is so much that can be achieved better by working together.

The election of a new First Minister in the coming weeks provides an opportunity to do so.

As Nicola Sturgeon acknowledged in her resignation speech, politics in Scotland had become entrenched over the course of her time in office. The post-referendum divide that continues to hang over Scotland had forced parties into polarised positions which has made cooperation more difficult to achieve.

The arrival of a new First Minister in a few weeks, with a clean slate, means there is a rare opportunity to reset the dial.

The candidates for SNP leader have already spoken about the need to cooperate more. Similarly both the Prime Minister and the leader of the opposition have made it clear they want to work more closely with the devolved administrations.

What we need are a series of concrete, practical projects on which the two governments could choose to work together.

This paper focuses on four areas: economic growth, net zero, health, and social cooperation. We believe that in all four categories, greater joint working between the Scottish Government and the UK Government can reap huge benefits both for people in Scotland, and those in other parts of the UK too. Working together, we can benefit from efficiencies of scale. Working together, we can benefit from the size and scope of the UK. Working together, we can find common solutions to common problems.

The Windsor Agreement between the UK Government and the EU on Northern Ireland shows the progress that can be made for communities when both sides agree to negotiate and cooperate in good faith. The SNP will, of course, want to maintain its support for independence – but that does not mean the new First Minister should spurn the chance to forge a stronger relationship with the UK Government as things stand.

As negotiator John Sturrock KC wrote in the Times recently: “The real test is not whether the outcomes are perfect. It's whether they are at least marginally better than the alternative.”

We agree. We set out these ideas today in the hope that both the new First Minister and the current Prime Minister may find areas of common ground that can take Scotland – and the UK – forward.

Economic Cooperation

We want the Prime Minister and First Minister to cooperate on:

- A new, decisive economic plan for Scotland
- Powering Up the SNIB
- A new export strategy and joint Trade Mission
- A new city deal for Glasgow region

Background

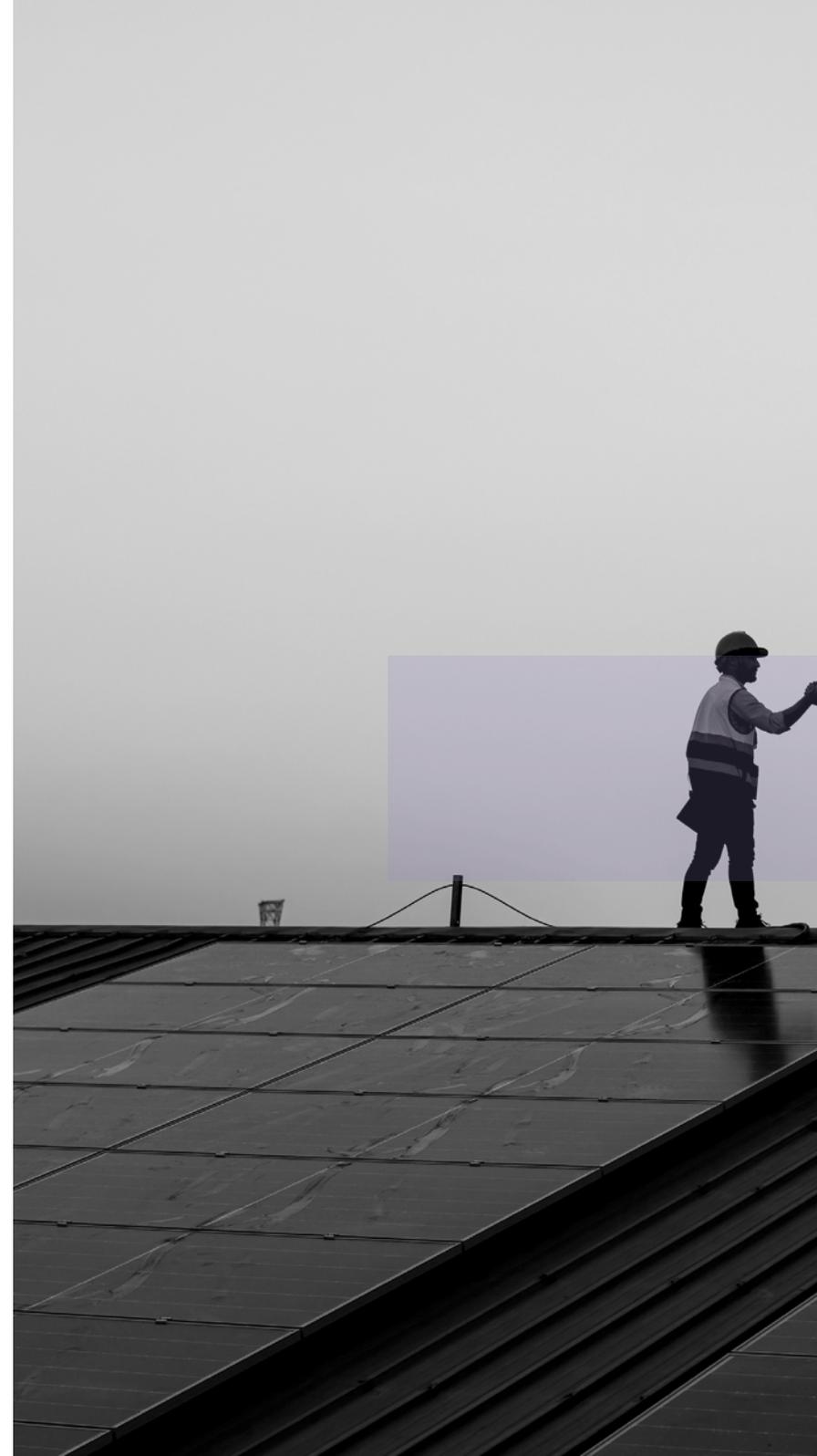
These are bleak economic times, both on these islands and across the Western world. Inflation is still roaring, albeit falling back, and the impact of higher interest rates are starting to bite. Scotland's economic issues stretch back further than the pandemic, though.

Scotland had the lowest growth of any nation or region of the UK from 2014-19, despite Scotland spending more as a share of GDP on economic development than anywhere except Northern Ireland. On productivity, it is being caught up. Output per head grew at 2.2% a year between 2014 and 2019, compared to over 3% in much of the rest of the UK. Scotland remains the 3rd most productive part of the UK behind London and the South East of England, but there would be £1,600 more output per head if it maintained its 'productivity premium' to the North West over this period. Its rate of startup generation is lower than every region of England except for the North East.

A New Decisive Economic Plan For Scotland

What is going wrong? Scotland boasts a formidable higher education sector, with more top 500 globally ranked universities than anywhere except London and the South East. They contribute more in R&D as a share of GDP than elsewhere in the UK, and help to give Scotland the highest graduate share of population in the country. The financial services sector is the strongest outside of the South East, with these being a ready source of capital for businesses. Scotland has all the ingredients for a growing, innovative economy. Perhaps what it lacks is the right recipe.

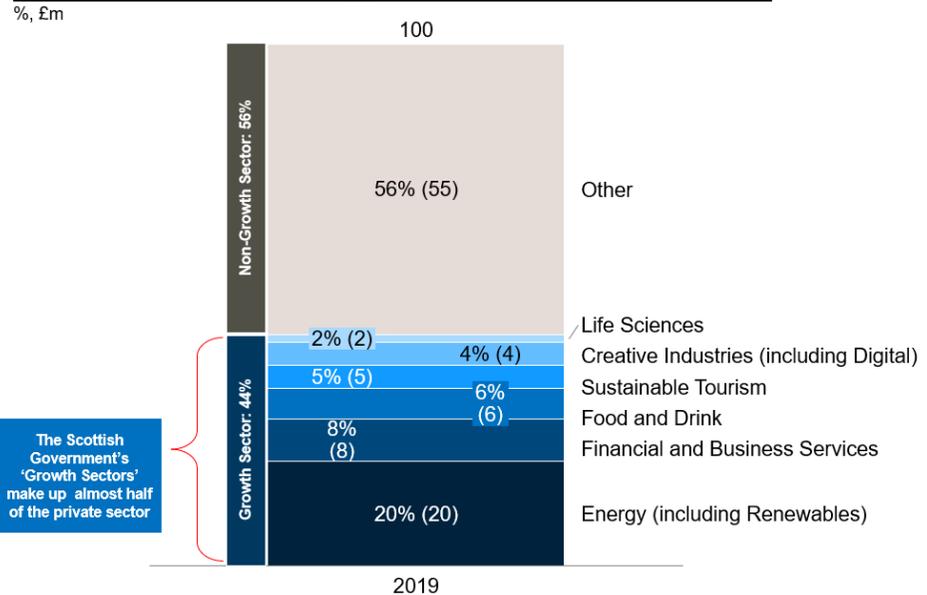
We are calling for the new First Minister and the Prime Minister to agree a clear plan for Scotland's economy: a plan that supports the growth industries of the coming decades, that invests in science and innovation, that dares to make real choices, and that can be backed for





the long term, by whatever party holds the reigns in Holyrood or Westminster. The countries that achieve true economic transformation do so because they have agreed a plan that exists over decades, and that takes a broad and lasting consensus about priorities. The Prime Minister and the new First Minister can help to forge that consensus over a plan, something owned by and written in Scotland, but with the willingness in Westminster to support it in any way they can.

Scottish Private Sector GVA by Sector (excl financial services and some agriculture), 2019



The SNP does already have economic plans, but they have been shy of making big decisions. They have highlighted 'growth sectors', but these cover 44% of the private sector. How can almost half of the private sector meaningfully be designated as a priority? Any funding used to aid these industries would be too diluted to have any impact. Greater decisiveness will be required.

Specifically, we want the two governments to agree which growth sectors they want to prioritise in Scotland and how their combined efforts can be directed in the most effective way possible. We need both our governments signed up to the same plan.

The Prime Minister's focus on science and innovation is the right one: in order to align their priorities, the new First Minister should create a new Scottish Minister for Science and Innovation to work closely with the new Department for Science, Innovation and Technology. A recent report by Tony Blair and William Hague laid out a number of excellent proposals on how innovation can power Britain, and which would be a good agenda for

such a Minister. Many of these ideas could be applied now, in Scotland. A central unit for science and technology strategy and delivery should be introduced to drive a reforming agenda through, free of vested interests. It would help to place the voice of true science and technology experts through more of the way that Holyrood and the civil service operates, and ensure that spending on R&D projects is prioritised, settled for the long term, and freed from ‘Treasury style’ accounting based audits that fail to recognise R&D as a powerful investment. We welcome the Scottish Government’s recent appointment of “Chief Entrepreneur” Mark Logan and propose that his remit be extended to working across both Governments, seeking to align policy and set clear policy goals for both.

Powering Up The SNIB

The Scottish National Investment Bank is a great contribution to Scotland’s institutional landscape, but it is not currently living up to its potential. Was it really set up to help 4 hotels in the Highlands decorate themselves at a cost of £7m? Or set up a ‘Mid-Market Rent Fund’ to help provide affordable rental accommodation? These may be important investments, but neither is helping Scotland to take strides towards leadership in key future industries. The SNIB has also lacked a CEO for over a year, which doesn’t help to build faith in its robustness.

The UK Government could be “an equal partner in the Scottish National Investment Bank, using all the resources of Britain to make Scotland an export superpower in renewables, life sciences, digital and manufacturing” as Gordon Brown said last year.

Supporting Scottish Exports

% of Businesses Who Export by Region, 2019



A lower proportion of Scotland’s businesses export than any part of the UK except Wales and North East England. Scotland’s exports have been concentrated in too few sectors for too long. Hydrocarbons will remain an important, albeit declining, tradeable good. More businesses need to follow in the footsteps of Scottish whisky and salmon to become internationally competitive. Part of the issue is knowhow, part of it is financial. The SNIB could play a greater role addressing the financing point if it was given the powers to provide export guarantees.

Part of the issue is structural. Services are disproportionately important to Scotland’s economy, making up a higher share of output than anywhere outside of southern England, with the importance of manufactured goods declining. Services tend to be less readily tradeable, so Scotland has a greater interest than most other parts of the UK in securing international trade deals that are favourable for the services sector.

Together with the agreement on a fresh economic plan, we therefore urge the new First Minister and the Prime Minister to agree a new exports strategy

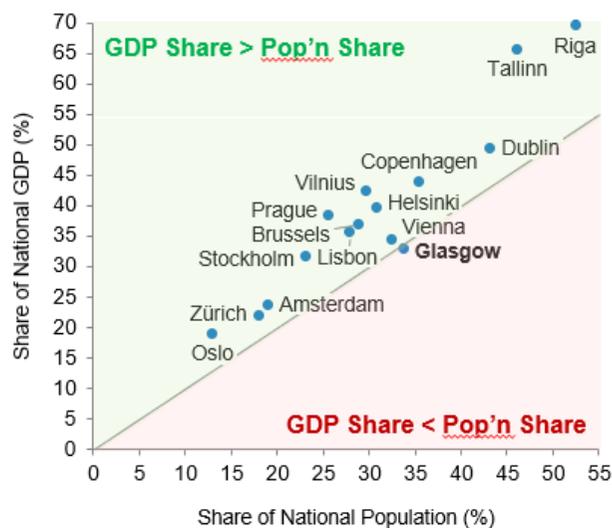
backed by the Scottish Government’s agencies and the UK Department for International Trade. A shared approach here would be far more effective than two different agendas.

To signal their intention for joint working, we propose too that the Prime Minister announces a UK wide trade mission to a key UK exporting nation and invites all the First Ministers of the UK to join him to showcase products and services from across the United Kingdom.

A Refreshed City Deal For Glasgow

Greater Glasgow is Scotland’s metropolis, and one of the 5 cities of the UK with a population over a million. It has superb universities, relatively affordable housing for a big city, and good transport links. It’s economically important, with >30% of Scotland’s GDP and population. When we look closer at this, though, we can see that it is underperforming.

Big Cities Small Countries, % national population & GDP



Other big cities in small countries have a much greater share of economic activity than their population would imply – another way of saying that GDP per capita should be well above the average. For Glasgow, this isn’t the case. Its size is not helping it to be more productive, and its productivity is lower than that of Edinburgh and Aberdeen. Why isn’t Glasgow living up to its full potential?

Our Scottish Future hosted a conference with the Glasgow Chamber of Commerce to explore this challenge titled ‘Britain’s Northern Powerhouse – Building a Greater Glasgow’ in February 2023.

Several conclusions came out of that event. It was clear that Glasgow is making progress. It has taken a multifaceted approach to its post-industrial economy, and clusters are developing around life sciences, space, creative and the financial services industries, among others. It was also agreed that any plan to support Glasgow needs to be done ‘with people not to them’, and the city’s social problems, like poverty and inactivity, should be tackled alongside its productivity ones.

In 2014, the Glasgow and Clyde Valley City Deal was signed, bringing funding together from the UK and Scottish governments to help the area pursue a number of initiatives. The second funding gateway review is coming up in May 2024, which will determine whether the next tranche of funding, worth £300m, will be released to the projects.

Driving Glasgow forward is central to Scotland’s economic good health. Following the disappointment of its failed Freeports bid, we therefore propose that the new First Minister and Prime Minister set out a refreshed plan for Glasgow, with money from the UK Government’s Levelling Up and Shared Prosperity Funds match funded by the Scottish Government. Projects could include:

- Support for the city’s expanded metro system and the completion of the direct rail route to Glasgow airport
- Backing for a direct air link, 12 months of the year, from Glasgow to the US
- More powers for Glasgow City Region over skills and further education
- Expansion of the Scottish Events Campus

Net Zero Cooperation

We want the Prime Minister and First Minister to cooperate on:

- Launching COP UK
- Maximising the opportunity from Scottish wind
- Resolving issues with the National Grid
- Championing a North Sea Power Grid

Background

Glasgow was at the centre of global attention in November 2021 as it hosted the COP26 summit on the climate crisis. This demonstrated the need for cooperation over problems of that magnitude. The next First Minister should take the lead in bringing this spirit to the UK's own approach to reaching net zero.

The UK has a goal to reach net zero by 2050, with Scotland targeting the same by 2045. The Climate Change Committee says that Scotland's ambition here 'should be applauded', but highlights risks that progress towards these goals has stalled 'for sectors in which policy is significantly devolved'. For other areas, they say that 'there is little evidence of cooperative policy planning, which is now undermining the achievement of Scotland's more ambitious short term goals'. The First Minister and Prime Minister can work together to change this.

Launching COP UK

A COP UK would bring together representatives from all layers of the UK's government to agree a joined-up plan on how to slash emissions and set the country on a more environmentally sustainable path. The politicians would be joined by representatives from civil society and academia, and it would become the centrepiece of the UK's efforts to tackle climate change.

We propose that the new First Minister and the Prime Minister, together with the other Devolved Nations and regions of England, convene such an event to push towards a carbon neutral Britain.

The agenda for such an event would cover:

- A 'state of the nation' set of data on emissions, biodiversity, environmental standards and modelling telling the country how it is progressing against its targets
- An audit of whether resources for combatting both the drivers and effects climate change are being distributed fairly across the nations and regions of the UK
- Agreements on how regulations could and should change at the UK and sub-UK level
- Agreements around initiatives that can be best achieved through UK-wide cooperation

The details of such initiatives are further explored below.

Maximising The Opportunity From Scottish Wind

Imploded British umbrellas illustrate as well as anything that the UK has more potential wind energy than anywhere else in Europe. 36% of this is to be found in Scottish territory, on and offshore. These resources, properly utilised, represent a bounty for the Scottish people. The energy itself has value, but so does the industry that goes about harvesting it. The greater the share of the supply chain that can be kept in Scotland, the better. There are the jobs and industrial capacity to be gained from building, installing and maintaining the fleet of wind turbines, as well as the profits that will be generated from their energy. Sadly, Scotland's approach so far has failed to make the most of this opportunity.

In last year's ScotWind auction, the Crown Estate Scotland sold off plots of seabed equal to 8,600 km², which could generate up to 25GW of offshore wind. The SG set a price cap originally of £10,000 per km², but raised this to £100,000 per km² following a similar auction in England which demonstrated a higher price tolerance in the market. This brought in £700m. However, what was sold of the licenses were sold right at the cap, suggesting that the market value would have been higher. In New York, a recent auction generated over £3bn, for just 7GW of power.

17 projects were selected, all of which are led by overseas companies. No Scottish companies. No companies from the rest of the UK. In their submissions, bidders had to commit to keeping 25% of the supply chain for the wind farms in Scotland. This very modest target allows developers to achieve it simply by maintaining the installed wind farms – it does not require them to manufacture or even install the turbines. In practice, it is also hard to enforce, and judged through self-assessment by the firms.

Coordination and cooperation could help the UK to maximise the benefits of offshore wind. Industry can develop to take advantage of an opportunity when given certainty, time and support. ScotWind was attractive to businesses, but the scale of it was so big that Scottish industry was unable to grow to meet its 'big bang' of demand. As we see from the New York example, auctions for smaller areas are commonplace. They have the benefit of staggering when new turbines will be manufactured and installed. The current Scottish wind turbine industry has no chance of manufacturing 25GW in one go, but it could have scaled up gradually to meet that demand if ScotWind plots were instead sold in several tranches over a decade. Instead, the foreign companies running the wind projects will be relying, once more, mostly on foreign companies to make the turbines.

The Prime Minister and the new First Minister should be working together to set out a better way forward that maximises the economic benefit for us here in the UK and accelerates the push to carbon neutrality.

The schedule of tranche sales for Scotland and rUK should be optimised in order to give domestic industry the best chance of growing to meet the manufacturing demand. This should cover the next 20 years and be made public, such that potential entrepreneurs and investors can be given certainty about the steady drumbeat of opportunity. The SNIB and BEIS should also offer generous loans and support to firms who step up to create UK jobs in the manufacture and installation of wind turbines. A SG or UKG owned company could also be considered.





Resolving Issues With The National Grid

The National Grid was founded in 1935 as the first integrated grid in the world. This was an age of oil, gas and coal, where generation capacity was kept close to the industries and centres of population that needed it in order to minimise loss. Stations could be turned on and off fairly readily, to match power demand at certain times.

In 2019, for the first time, the UK generated more electricity from renewable sources than from fossil fuels, much of that from wind power. Scotland has abundant wind energy and, like the rest of the UK, turbines tend to be concentrated in rural areas or offshore. There is the same issue with tidal. The intermittent nature of wind and solar, their more dispersed nature, as well as the greater distances between energy source and user necessitate changes to the National Grid, and the way it is financed.

The 'Transmission Network Use of System' (TNUoS) charges were introduced in the 90s to make it more economical for providers to site generation capacity nearer to where it is used. This favoured fossil fuel facilities which are more location agnostic than renewables. Stephen Flynn MP of the SNP decried a 'great Scottish renewables robbery', pointing to new figures forecasting a £465m charge for Scottish energy generators compared to a £30m subsidy for those in England and Wales by 2026/27. This is more about remotely sited renewables being penalised than it is about Scotland, but clearly there is a problem here. Ofgem has deprioritised the work looking into reform of the TNUoS, but the Prime Minister should be aware of the importance and urgency of this matter for Scotland's renewables sector.

The National Grid is also being dogged by operational issues which are holding back Scotland's progress on renewables. New renewable generation or battery storage projects need to be connected to the grid. In the age of fossil fuels, you'd have 40-50 projects a year needing to be plugged in. Now they are having 600 applications a year, as projects are more fragmented and smaller scale operations are more feasible. This has created a huge backlog of potential schemes, with some being told they will have to wait until 2036 to be connected. The ridiculous length of this queue will impact investment in net-zero and, given its disproportionately large renewable resources, will hit Scotland hardest. £54bn is to be spent by the National Grid on upgrading its energy network in the UK, but it also needs to ensure that it has the ability to support this day to day activity, and not just the (vital) capex.

We therefore urge the new First Minister to set out a clear plan to reform the national grid and bring it up to date with modern renewable energy sources. This should be passed to the UK Government and work begun to make reforms immediately.

Championing a North Sea Grid

The Prime Minister and First Minister could also work together to champion an ambitious scheme to better connect Scotland and the East of England's power grids to the Nordics. With extra, higher capacity links, a new grid can help Scotland to take advantage of its renewable energy bounty.

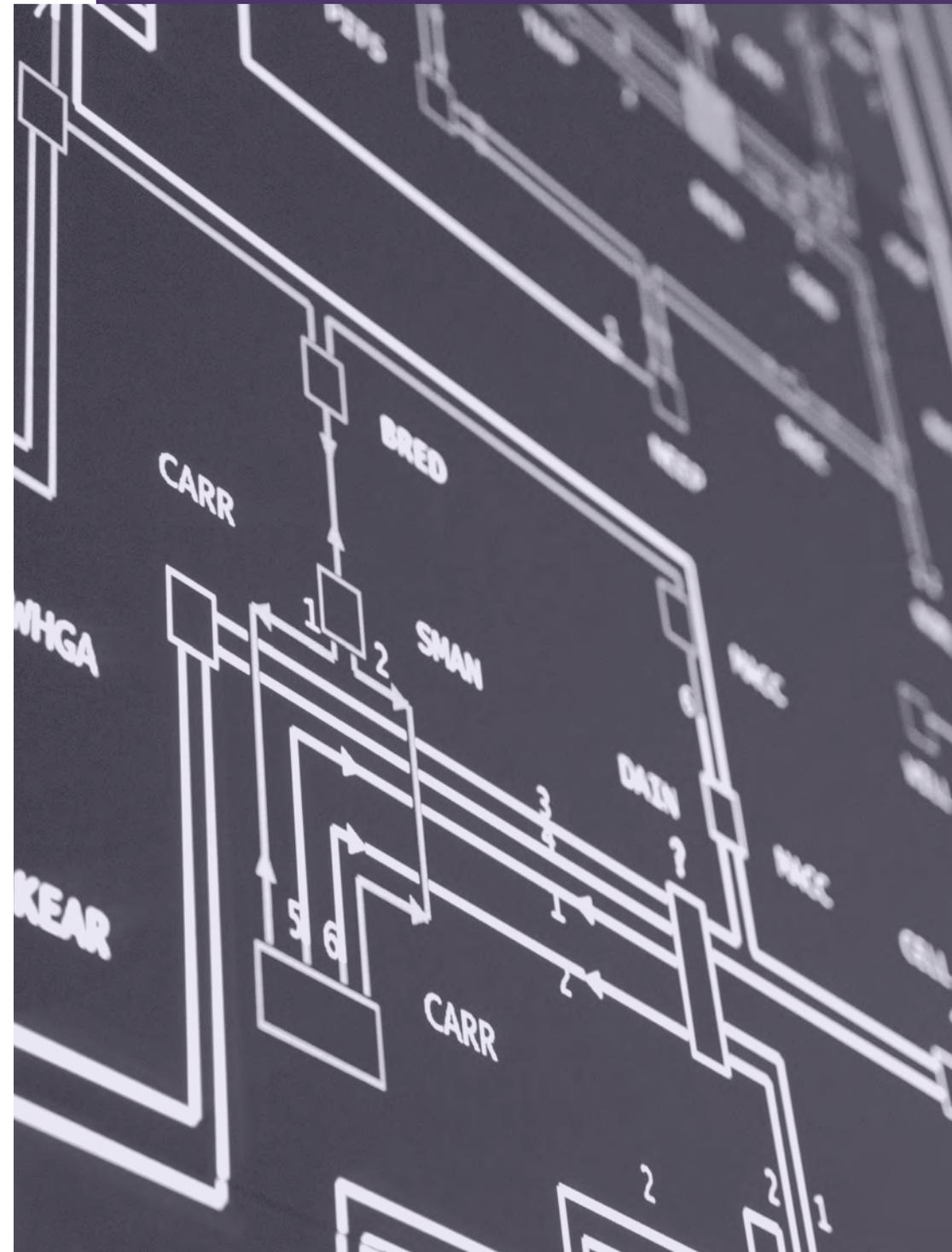
It would increase energy security. When the wind isn't blowing in Scotland, this could be balanced by wind elsewhere, or Norwegian hydropower. Batteries or other types of storage technology could be built into the new grid, making the grid itself a source of space capacity.

A greater diversity of supply would reduce the need for back up supplies, which are typically natural gas, helping Scotland's carbon footprint. Offshore facilities could be plugged into the new grid, also reducing the need for them to rely on fossil fuel generators.

There would be significant economic benefits as well. It would turn Scotland's renewable power surplus from a waste into a boon. A lot of potential supply is currently squandered because the power has to be used in that moment, but such a grid would mean more of it can be used and sold, improving the economics for those operating generation sites.

The construction and maintenance of such an infrastructure project would also create jobs for Scotland and the rest of the UK. Additionally, they would create expertise and supply chains that could be used for offshore grid projects throughout the world, as we had with North Sea oil.

By taking the leadership role in such a project, the First Minister and Prime Minister could bring more of the gains from such a project to our shores.





Health Cooperation

We want the Prime Minister and First Minister to cooperate on:

- A UK wide review of healthcare
- A new Life Sciences strategy for Scotland
- A NHS efficiency drive
- A plan to tackle the UK's gaping health inequalities
- Reducing drug deaths

Background

As SNP leadership candidate and Scottish Health Secretary Humza Yousaf has reminded us, the challenges affecting the health service in Scotland are the same as those affecting Conservative-run England and Labour-run Wales.

Mr Yousaf makes the point to defend his record in Scotland which, he argues, stands comparison with the rest of the UK. But his point raises a wider issue: for if the problems and challenges affecting the NHS across the UK are the same, are the solutions not UK wide as well?

Of course, the NHS in Scotland is run separately to NHS England and Wales. Operationally, we are already independent, with our own medicine's agency, our own medical colleges and our own organisational model. That should – and must – continue to be the case.

But while upholding our devolved healthcare system, the new First Minister should make it a policy to cooperate within the UK wide healthcare system, particularly as new technologies begin to transform the way we manage our health.

We believe there are some key areas where greater cooperation can achieve real progress both for Scotland and for the rest of the UK too.



A UK Wide Review Of Healthcare

This winter has seen numerous health leaders state bluntly that the model of healthcare in the UK is broken. In Scotland, nearly half a million people are on a waiting list, and more than 7,000 people have been waiting for more than two years for treatment. In England and Wales, the same applies: MPs on the Public Audit Committee have described the “shameful” level of waits and have warned that the NHS is in a “full-blown crisis”; in Wales, more than one in five people are in a queue for treatment, nearly double the proportion in England.

All the health care systems are suffering from the same problem: the after-effects of the pandemic, staff shortages, a lack of capacity, delayed discharge, and the increasing demands from an ageing population.

Kate Forbes, the SNP Finance Secretary has now said she believes an “independent inquiry” into the NHS is required “to look at the short, medium, and long-term future of the NHS....to be considered by senior thought leaders in the frontline.” She has called for such a review to be “radical” while maintaining the principle that treatment must be free at the point of use.

She is right. And we believe that such a review – to assess future demand, service reform, workforce planning and public health measures – is best conducted on a UK wide basis, while also being tailored to individual services. This is not just because the challenges are the same for Scotland, England and Wales; it is also because a UK wide review supported by the Conservative, Labour and SNP administrations in the three nations of Great Britain would ensure cross-party backing for the principles behind reform.

A Life Science Strategy For Scotland

Scotland has a rich heritage in healthcare innovation. These range from the discovery of penicillin to Dolly the sheep, the world’s first radiology department at the Glasgow Royal Infirmary to the first diagnostic applications of an ultrasound scanner. As research becomes more complex and can require incredibly expensive equipment, more collaboration with the rest of the United Kingdom can maintain Scotland’s prestige in the field. The First Minister and Prime Minister should set out how Scotland can take advantage of the life science revolution, building on existing Scottish strengths.

This should include:

- Promoting and identifying Glasgow as the key UK cluster for Precision Medicine, and jointly backing the creation of a UK Precision Medicine Academy at the Queen Elizabeth University Hospital. Government reports have shown there is “insufficient promotion” of Scotland’s assets in precision medicine: the Prime Minister and First Minister should therefore come together to show that Glasgow is the centre for this rapidly expanding area of life science.
- Data collaboration, and an agreement to unify health data across the UK. The use of health data holds the key to creating a sustainable NHS: it can help us direct funding to where it is needed most; improve patient pathways; and can help us tailor treatment for diseases like cancer, dementia and heart disease. The NHS collects a vast amount of data at a local level but since it is often siloed or cannot be easily exchanged across the rest of the health service, the full value is not being harnessed. As recently proposed by the Tony Blair Institute, massive health benefits will accrue from a single interface so users can seamlessly store and retrieve data from different source databases. We have a once in a generation chance to revolutionise health in the UK with a single national health infrastructure that brings together data from across the nation and the Prime Minister and leaders of devolved nations should work together to make this a reality.
- “Moonshot” health projects. The development of the Covid vaccine demonstrated the value of one UK wide health plan: as the vaccine was being tested, around 29,000 patients in 176 hospital sites across the UK were randomised to nine treatment arms, or to receive no additional treatment. During the first wave, over 10,000 patients were recruited in just two months, making it the fastest-recruiting randomised controlled trial in Europe and, in the second wave, over 6,000 patients were recruited in three weeks, demonstrating the necessity for collaboration across the entire UK. Similarly, as the UK’s world leading scientists work towards key advances in cancer treatment, heart disease drugs and dementia prevention, the First Minister and Prime Minister should signal a clear intention for UK wide systems to accelerate progress.
- Investment in laboratory infrastructure could be sourced from the UK’s Shared Prosperity Fund or Levelling Up Fund, with the Scottish Government match-funding it from its own resource.





An NHS Efficiency Drive

The UK-wide NHS has vast spending power and this can be used to drive greater efficiencies of scale, pushing more money to the front line. For example, we estimate that NHS Scotland could save £100m a year by sharing procurement of medical equipment across the UK. As part of the shared review of the NHS, we encourage the First Minister and Prime Minister to ask their health ministers to use the vast spending power of the UK wide NHS to seek savings and ensure more money can be spent on the frontline.

A Plan To Tackle The UK's Health Inequalities

The UK is scarred by massive health inequalities between our wealthiest regions and the most deprived parts of the country. The gap in healthy life expectancy between the richest and poorest is rising to record levels: for men, the figure has risen from 22 years in 2013 to 26 years by 2019.

The leading health researcher Sir Michael Marmot has called for health equity to be placed at the heart of government policy making across the UK. Overwhelmingly, it is the poor and the socially excluded who will end up in hospital wards and A+E units, so if we are to reduce demand on our NHS, then we must tackle the underlying causes of ill health.

We therefore propose that the Prime Minister and the First Minister agree to set up a new UK wide research institute into health inequality, which brings together Universities and experts from across the nation to develop the policies that can tackle the causes of ill health.

Reducing Drug Deaths

Scotland's terrible drug death figures are likely to worsen this year, despite already being at record levels. Significant policy differences exist between the UK and Scottish Governments on issues such as the devolution of drug law and the use of Drug Consumption rooms, but these sincere disagreements must not prevent further shared work being carried out to support drug users to come off their habit. UK Government Ministers should commit to work with Scottish Government colleagues to share best practice on ideas such as Project ADDER which have demonstrated a positive impact in England.

Social Cooperation

We want the new First Minister and the Prime Minister to cooperate on:

- Shared UK Government-Devolved Administration efforts to cement relations with the EU
- A new Institute for British Devolution, which examines good practice in public policy across the UK
- A fresh drive to bolster the social union

Background

A reset in relations between the UK and Scottish Governments need not just support progress in specific portfolios, it could also improve relations, connections, and social trust across the British Isles.

Society has followed where politics has led over the last decade; our polling has found that while people across the UK share similar values and priorities, they also feel divided and separated from one another. For example, asked whether they 'have a lot in common with most people in Britain', a poll we conducted found that only 47% of people in England agreed, 43% of people in Wales and 40% of people in Scotland. This is a function of what pollster James Kanagasooriam has described as "the politicisation of everything" – where more than a decade of political division have created fissures in our social fabric. This affects all our quality of life: successful societies are ones with high degrees of trust in each other. We therefore believe that we must seek to restore what, in the 2014 referendum, the SNP described as "the social union" of the United Kingdom. This holds whether Scotland remains in the "political union" of the United Kingdom of Great Britain and Northern Ireland or not.

We believe there are several avenues where better social cooperation can be put to good use.



Collaboration to Improve UK-European Relations

One of the most fractious of all issues underlying the UK over the last seven years has been the running sore of Brexit. This, above all issues, has seen the most stress applied to the 'social union' of the UK. Notwithstanding its opposition to the UK's decision to leave the EU, the Scottish Government should now seek to capitalise on improved relations between the EU and the UK in the wake of the Windsor Agreement to examine further options for close engagement. There are many options for states outside the EU – such as the Erasmus exchange programme, membership of the Horizon programme, and the European Investment Bank. The Prime Minister should open good faith discussions with the new First Minister to assess how to capitalise on the more settled picture to the advantage of Scotland and the rest of the UK. While remaining outside the EU is unlikely to satisfy anti-Brexit campaigners in Scotland, much of the poison from the Brexit fallout can be drained if the UK demonstrates it intends to be an active partner to the EU over the coming years.

An Institute For British Devolution

Too often competition, not cooperation, has come to define the relationship between the UK and Scottish Governments, as Ministers in Edinburgh set targets and promote policies often solely to show they are ahead of the rest of the UK. While healthy competition is a good thing, the divisive politics of the last decade has meant that precious opportunities to learn from one another have been squandered. As former head of devolution at the Cabinet Office Philip Rycroft told the Our Scottish Future podcast last week: "One of the great opportunities for devolution is that policy learning. We have got four different policies being carried out - and if England has more devolution we have more – where you have people trying different things for people who share many of the same characteristics. Why can't we learn from that? How do we get to a situation where people are saying: 'Ok, You've done it well – how do we learn from you?'"

One solution is to create an independent body which examines good practice across the four nations of the UK and compares policy and strategy approaches – not to create a League Table, but to aid policy development; so England can learn from Scotland and vice versa. Such an Institute of British Devolution might also organise conferences and events to bring together policy makers, journalists, politicians and influencers from across the UK. The Prime Minister could propose the creation of a such a body in tandem with the new Scottish First Minister and the Welsh Government.

The Social Union

While measures to improve relations with Europe and learn from one another's policy proposals are good ideas for policy makers they ignore the experience of most communities and families across the UK. We believe the new First Minister and the Prime Minister should also examine ways to bring together communities across the British Isles. This could be taken forward by the British-Irish Council, so as to include the Republic of Ireland, our closest neighbour and friend. Concrete proposals might include:

- A schools "green twin" plan. To aid understanding of our environmental challenges, schools should be encourage to pair up with one other school elsewhere in the British Isles to collaborate and share ideas on how to reduce emissions and create a more sustainable economy.
- Clear cross party support for the Euro 2028 UK-Ireland bid. All Football Associations have already committed to backing the bid but the new First Minister and Prime Minister should make it a shared goal to win the rights to stage the tournament in five years time. They should also agree a feasibility study to examine how to renovate Hampden Park in time for the competition.

Conclusion

These proposals are by no means exhaustive and there will be many other good ideas that can be taken forward if a more cooperative and consultative approach is taken by the governments of the UK.

That is why our final call in this paper is for all the Governments of the United Kingdom to use the opportunity presented by the events of the last few weeks to commit to changing the tone of our political discourse from one marked by mutual antagonism and distrust to one which recognises the mutual advantages that come from joint working.

For the SNP this means a marked shift in strategy from the model that has characterised its approach since Brexit.

It needs to accept that the UK Government is not, as some of its leadership candidates have claimed, seeking to undermine devolution at every opportunity.

The SNP needs to recognise that continually claiming this is the case is a strategic mistake, because it corrodes a bilateral relationship that needs to be nurtured and deepened in Scotland's national interest.

Even if Scotland were independent, the governance of the nations of the British Isles would in no small way be shared. It is in all our interests, no matter the constitutional arrangements that underpin the relationship between the nations of the UK, to foster that better relationship.

There will always be political differences between the various administrations across the UK.

What we need is a new culture of politics within the UK which recognises that self government and shared government must go hand in hand if we are to build the better society we all want.

A more cooperative Union is needed to help Scotland recover after the pandemic and the cost of living crisis. We urge our new First Minister and Prime Minister to go about building it.



Our Scottish Future believes that good government in Scotland and across the United Kingdom has to be based on the values of cooperation, empathy, solidarity and reciprocity.

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