



Law Society
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Written evidence

Regional imbalances in the UK economy

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Introduction

The Law Society of Scotland is the professional body for over 11,000 Scottish solicitors. With our overarching objective of leading legal excellence, we strive to excel and to be a world-class professional body, understanding and serving the needs of our members and the public. We set and uphold standards to ensure the provision of excellent legal services and ensure the public can have confidence in Scotland's solicitor profession.

We have a statutory duty to work in the public interest, a duty which we are strongly committed to achieving through our work to promote a strong, varied and effective solicitor profession working in the interests of the public and protecting and promoting the rule of law. We seek to influence the creation of a fairer and more just society through our active engagement with the Scottish and United Kingdom Governments, Parliaments, wider stakeholders and our membership.

We welcome the opportunity to consider and respond to the Treasury Committee's Inquiry on *Regional Imbalances in the UK Economy*¹. We have the following comments to put forward for consideration.

Consultation questions

What are the main drawbacks of having significant regional imbalances?

Where imbalances are particularly severe, they can impact on the rights of individuals, particularly those at the lowest end of the economic spectrum. For example, we are aware that poverty is an issue in both rural and urban areas².

We have previously highlighted that access to justice is a key concern for us. In our response to the Scottish Government's *Independent Strategic Legal Aid review* in 2017³, we noted that independently commissioned research had identified a risk that people in rural areas who were eligible for legal aid would not be able to find solicitors to provide advice. We cautioned that if steps are not taken to remedy this it could result in a two-tier justice system. This is of particular concern in the context of regional imbalances in the economy which may result in individuals in certain areas having greater need to access legal aid funding.

¹ <https://www.parliament.uk/business/committees/committees-a-z/commons-select/treasury-committee/inquiries1/parliament-2017/inquiry7/>

² See Bailey, N., Bramley, G. and Gannon, M. (2016) Poverty and social exclusion in urban and rural areas of Scotland. Poverty and Social Exclusion (PSE), Bristol; in particular at section 5.1.

³ <https://www.lawsco.org.uk/media/10441/final-law-society-of-scotland-response-to-independent-strategic-legal-aid-review-call-for-evidence-aug-2017-corrected.pdf>

There may also be a detrimental impact on education. The right to education is increasingly recognised as one of the new generation of human rights – for example, Article 28 of the United Nations Convention on the Rights of the Child sets out that “States Parties recognize the right of the child to education, and with a view to achieving this right progressively and on the basis of equal opportunity”.⁴

There are some imbalances which are more likely to occur in rural areas – patient rights (hospital transport CF aviation discussion) and other services provision such as the universal service obligation for broadband and internet poverty, ATMs, and lack of access to shops, compounded by disparity around postal charges to remote areas⁵.

What would be the advantage of a government body producing official economic forecasts as opposed to private forecasters doing it?

Advantages of a government body producing official forecasts may promote greater transparency and accountability of the Government as forecasts and subsequent data allow for the effectiveness of Government initiatives to be assessed. Official forecasts from a government body are likely to be able to be vouched and should also be freely accessible, allowing businesses and other stakeholders to benefit from forecasts where they would not be able to afford private provision. However, it is important to recognise that private interests should not be excluded, and public data should be made available to private companies so that they can produce their own forecasts tailored to the needs of their clients.

What can be learnt from other countries on the use of regional economic data and regional forecasts?

We note that at present certain data is collected by/for Eurostat, the EU’s statistics agency. As noted on the Commission’s website: *“National figures alone cannot reveal the full and sometimes complex picture of what is happening at a more detailed level within the European Union (EU). In this respect, statistical information at a subnational level is an important tool for highlighting specific regional and territorial aspects. It helps in analysing changing patterns and the impact that policy decisions can have on our daily life.”*⁶

The same is true in a UK context: breaking data down by region can assist in painting a more nuanced picture and identifying areas where there are particular problems and similarly in highlighting particular

⁴ Available to download here - <https://www.unicef.org.uk/what-we-do/un-convention-child-rights/>

⁵ For example, see <https://publications.parliament.uk/pa/cm201415/cmselect/cmbis/769/769.pdf>, <https://www.consumeradvice.scot/delivery-law>, <https://www.scotsman.com/news/politics/unfair-delivery-charges-in-rural-scotland-tackled-by-new-consumer-body-1-4957500>

⁶ <https://ec.europa.eu/eurostat/web/regions-and-cities>

good performance which may provide a blueprint for other regions to follow. We are aware that ONS already produces some statistics broken down by region, for example regional labour market statistics.⁷

In the context of preparation for the UK's withdrawal from the EU, the Cabinet Office published in April 2019 a *Revised Frameworks Analysis: Breakdown of areas of EU law that intersect with devolved competence in Scotland, Wales and Northern Ireland*⁸. This analysis (as well as the initial Analysis published in 2018) identifies a number of policy areas where the Cabinet Office consider that common rules or ways of working will be needed and expect to implement this through a non-legislative common framework agreement. Statistics is identified as such a policy area and the paper notes that the matter of statistics is 'cross-cutting'.

How does devolution change the need for regional economic data?

We note that the UK's system of official statistics is governed by the Statistics and Registration Service Act 2007 (the 2007 Act). The 2007 Act enabled the creation of the UK Statistics Authority⁹ with statutory responsibility to promote and safeguard the production and publication of official statistics that serve the public good. The UK Statistics Authority's responsibilities cover the whole UK statistical system, including the UK Government and the devolved administrations in Northern Ireland, Scotland and Wales. As referred to above, we note that arrangements for common rules or ways of working within the UK jurisdictions is under consideration in the context of the UK's withdrawal from the EU.

Data can be used to drive government policy by allowing identification of problems. It can also be used to hold government to account by charting the effectiveness of initiatives intended to address those issues.

Devolution, whether this is in the sense of devolution to the Scottish and Welsh Parliaments and the Northern Ireland Assembly or wider sense of devolution to local authorities, necessitates collection of regional data corresponding to the relevant jurisdiction to fulfil these dual functions.

It is important that there is clarity around the responsibilities of collection and use of data of devolved administrations in whichever form – for example, who is obliged to collect data; who is using the data; how is it collated; how is it analysed? The need for regional economic data may be rebalanced to some extent by adequate co-operation between authorities.

The Scottish Government operates a policy of open access to Scotland's official statistics, which comprise over 250 datasets¹⁰. In addition to statistics for the whole of Scotland, this provides data broken down by,

⁷ <https://www.ons.gov.uk/releases/regionallabourmarketstatisticsintheukjuly2019>

⁸ https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/792738/20190404-FrameworksAnalysis.pdf

⁹ <https://www.statisticsauthority.gov.uk>

¹⁰ <https://statistics.gov.scot/home>

for example, local authority. The smallest groupings are known as “Data Zones”, designed to have around 500-1,000 household residents within each zone¹¹.

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¹¹ <https://statistics.gov.scot/atlas/resource?uri=http%3A%2F%2Fstatistics.gov.scot%2Fid%2Fstatistical-geography%2FS13002929>