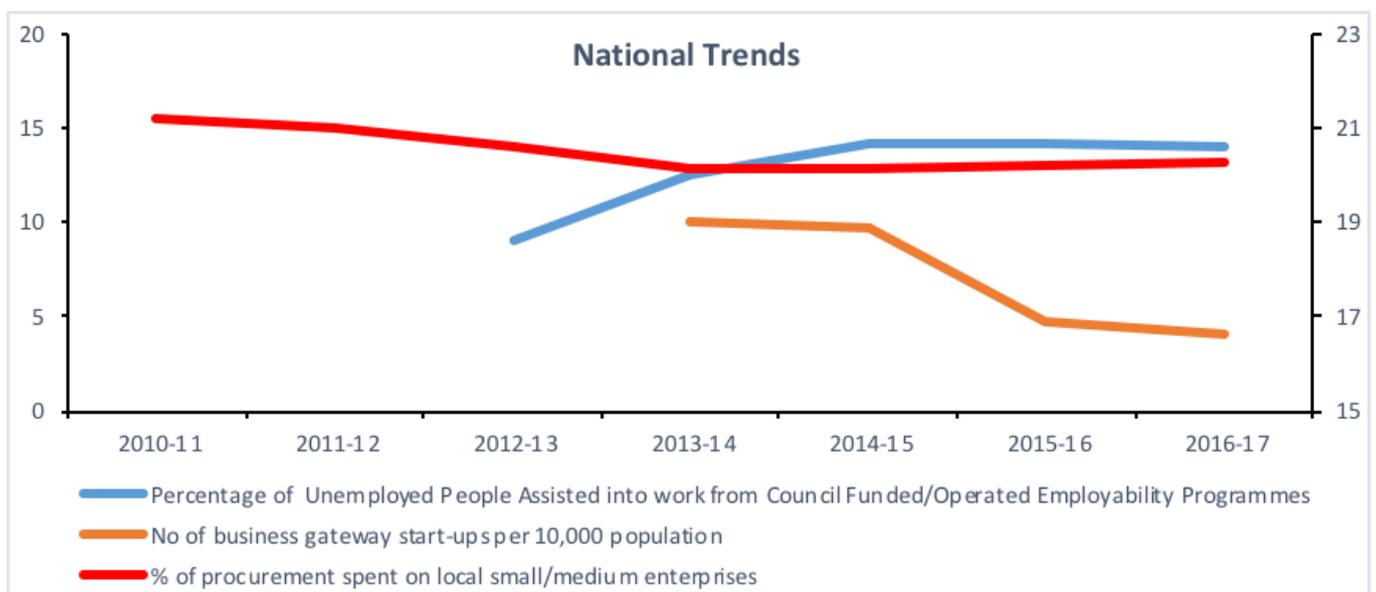


# Economic Development Briefing 2017

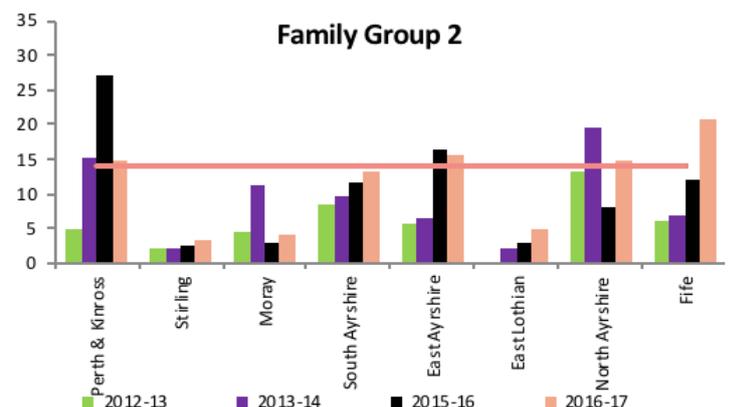
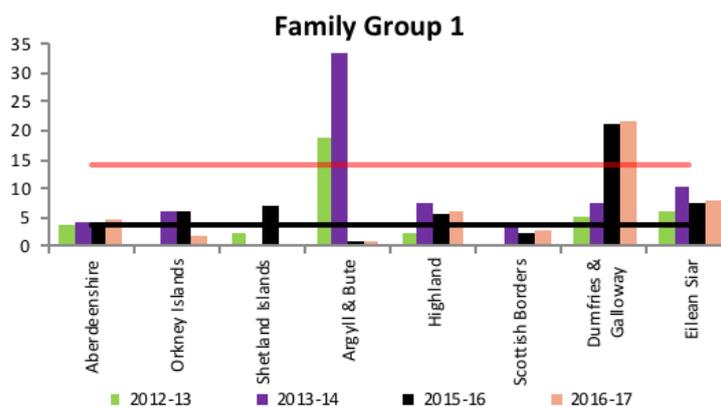
Investing in economic development and employment opportunities results not just in a positive economic outcome, but can typically also lead to improvements across a wider range of social outcomes and reductions in demand for public services.

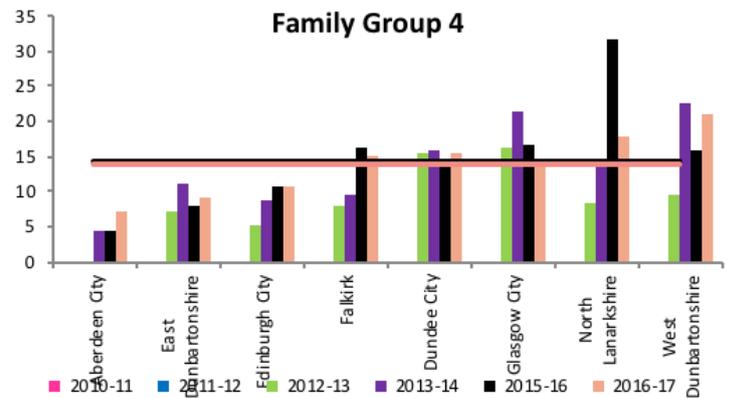
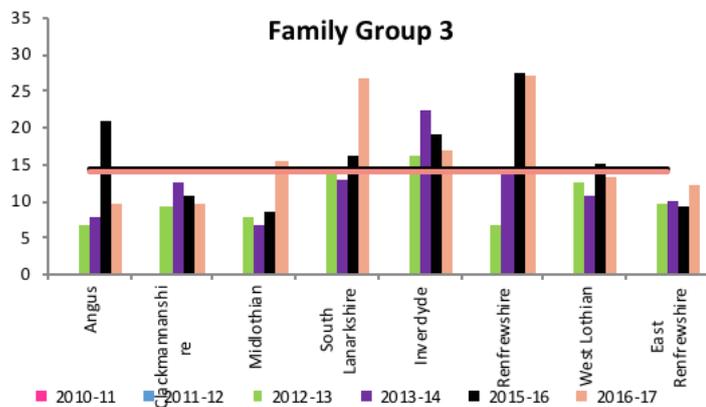
In 2016/17, the Scotland average for the percentage of unemployed people assisted into work from council funded/operated employability programmes was 14.0% of total unemployed. This reflects an increase from 9.1% in 2012/13, however a very small reduction over the past 12 months. This recent trend may reflect a number of factors, including: the continuing focus on getting more long term workless people into work and the welfare changes that require these cohorts to undertake job search activities; the reduction in national funding for wage subsidy schemes; and improvements in the labour market that have removed some of the easier to assist persons from worklessness and left a residual group of harder to assist clients facing multiple barriers to employment who take longer to progress into work.



There is a considerable range across councils, from 0.9% to 27.1%, with lower rates for the least deprived councils and for rural authorities.

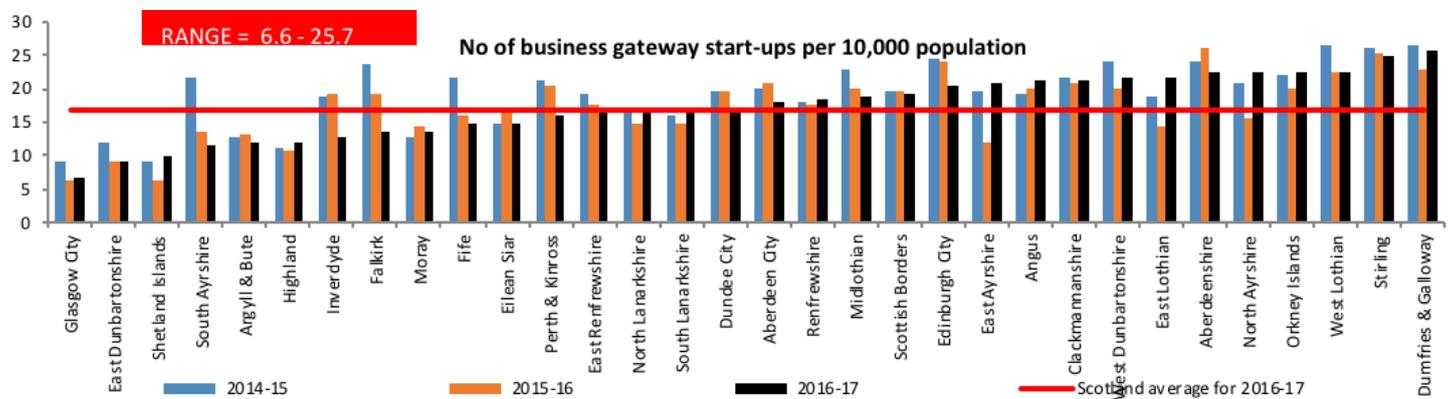
## % unemployed assisted into work





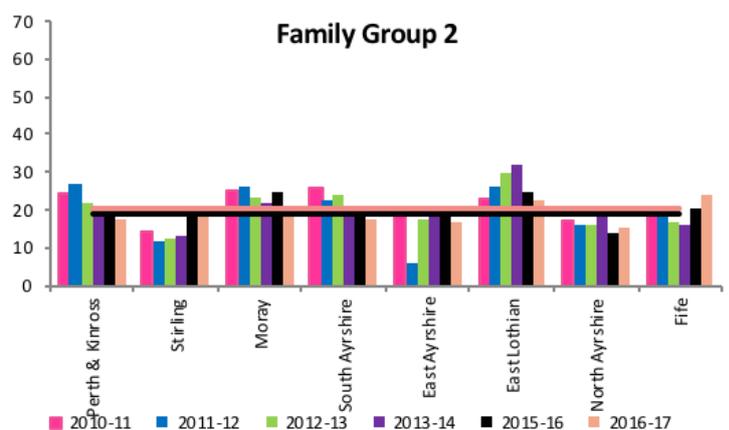
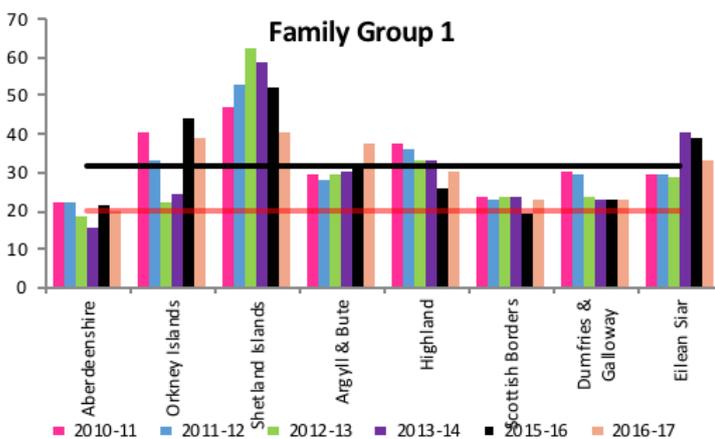
The number of Business Gateway start-ups per 10,000 population has reduced since 2013/14 from 19 to 16.6 in 2016/17. This may reflect a longer term strategic decision by some Business Gateway areas to focus a higher proportion of resources on supporting the growth and development of existing businesses as opposed to business start-ups. In areas where start-up numbers are good this may have greater job creating potential.

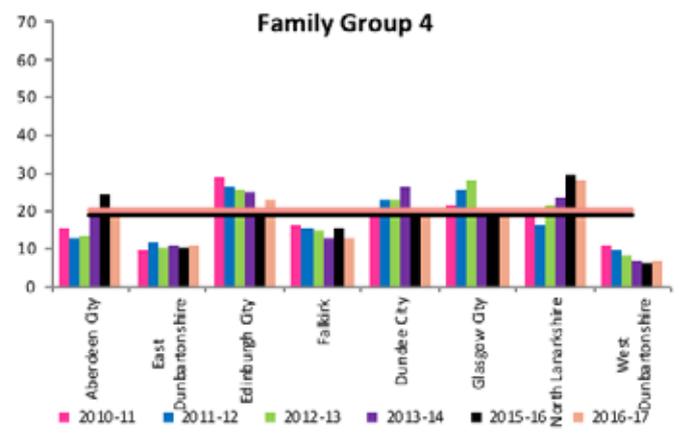
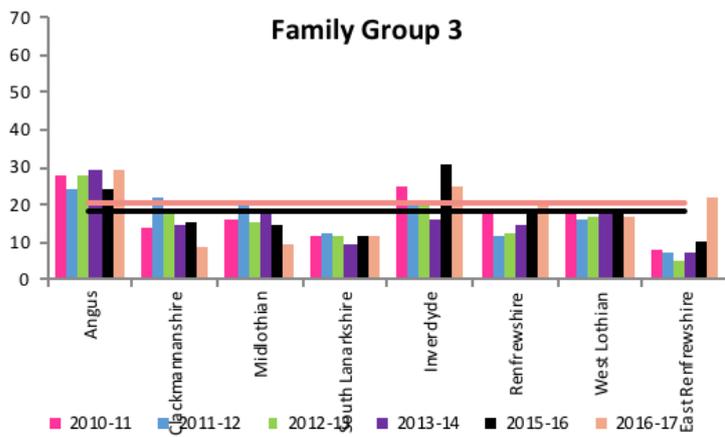
### Number of business gateway startups per 10,000 population



In 2016/17, the percentage of procurement spend on local small/medium enterprises was 20.3%, only a very slight reduction from 21.2% in the base year, and reflecting a slight growth in the past two years. Given the pressures on council budgets this is a positive outcome as it suggests that the drive to reduce costs has not resulted in local SMEs being displaced by larger national suppliers of goods and services. Variation is presented below by family group, with councils organised by rurality.

### % of procurement spent on local small/medium enterprises





## Learning from the November 2017 benchmarking event

Wider strategic directions mean there has never been a more challenging time across the sector- for example challenges and questions around **Brexit**, the broader policy context around the **Skills Review** and **Regional Partnerships**, and the state of **public sector finances**. The **expansion of early years provision** was of interest to all councils as this will create a range of jobs and growth opportunities for the local economy, especially for targeted groups (for example women and the older unemployed) and school leavers looking to move onto positive destinations. Understanding what works and **fostering the opportunity to share practice and learning** is increasingly critically important. As a non-statutory service, the sector welcomes stronger coverage of Economic Development in the LGBF, as this will support efforts to drive improvement and impact across the sector.

## Examples of approaches from around Scotland

### Digital Connections

Development of enhanced back office and customer facing digital approaches is key for all councils. **Fife** developed a One Door Business Portal, with all business services offered in one place which is more efficient and easier for customers, and has increased web traffic. **North Ayrshire** are starting to consider the impact of automation on demand for services and how services will be delivered and **Aberdeenshire** want to make the best of their digital infrastructure by developing more jobs that can be done from home- this includes events with colleges and business gateway events. **Rural councils (Family Group 1)** discussed placing significant focus on the funding provided by DCMS for broadband roll out to increase connectivity and attract businesses and residents.

### Partnerships, collaboration and sharing

All councils recognised a need for innovation and the development of collaborations and partnerships. **North Ayrshire** brought Economic growth and Connected Communities into one directorate to ensure traction on inclusive growth and a refreshed Economic Development and Regeneration strategy, drawing on the Fair for All strategy which aimed to reduce Child Poverty and inequality. Likewise, there is currently a scoping exercise underway in **Tayside/Angus** looking at potential collaborative models (this ranges from the establishment of a single body to sharing elements of the service). **Fife** have a corporate procurement and supplier development officer working with Economic Development to help businesses develop skills around contracts/procurement and have a cross council team which focusses on increasing the dialogue between services to improve outcomes for businesses. Meanwhile, **Glasgow** are creating a childcare co-operative for the expansion of the delivery of the early years provision to support local Childcare businesses to expand as the demand on their services increase. **Stirling** have started to receive planning requests as part of inward investment to build care homes for early years. They are trying to break down SILOS within the council and among providers by encouraging new providers/developers to work with current providers.

## City/regional growth deals

The development of city and regional growth deals across the country continues to expand. **Fife** are now 3 years in on their City Deals. As part of the new economic strategy they created four steering groups including Inclusive Growth, Innovation, Investment & Internationality and agreed to establish a new joint committee to progress the Tay cities Deal programme involving four councils – **Fife, Dundee, Angus & Perth & Kinross** which could potentially result in £1.8bn of investment in the Tay Cities region. **Angus** have identified several regional projects, for example cultural, employability and inclusion programmes and are also increasingly tourism focussed which helps build the area as a destination. Similarly, **Renfrewshire** utilise the strength of the Glasgow City Deal programme and City Region by recognising the specific strengths of each area, allowing each to have distinct role which is delivered locally and **Argyll & Bute** have focused on regional marketing with the strapline 'Explore Argyll'. **North, South and East Ayrshire** councils are working with Scottish Enterprise, SDS and the Scottish Government on the Regional Partnership Pathfinder. This project is looking at how to enhance the delivery and performance of Economic Development services and will produce options for further consideration.

## Targeted approaches

Most councils are implementing targeted approaches. **Renfrewshire** are focusing on 'place' including employing the City of Culture initiative and are looking at commercialisation of the Paisley Pattern. **Angus** are using a targeted approach in Earnings- they have linked this into new LOIP/Locality plans and **Dumfries & Galloway** are implementing a key sector approach for tourism and food, as well as having an officer that specifically focuses on helping businesses with procurement. **Glasgow** have targeted certain groups of unemployed people for the expansion of early years and West Lothian has 8 deprived areas where they focus targeted approaches. **East Lothian** are moving to a more commercial model as a council, and have used the Greenbook business case training course to develop council employees working in Business Gateway. **Argyll & Bute** employ a talent management lead that visits universities and colleges, as well as offering a rural re-settlement fund and self-employment grant that can be used towards rent, utility bills, moving payments or council tax.



### Useful Links

Presentation: [Invest in Renfrewshire](#)

Presentation: [Clackmannanshire Business Support](#)

[Invest in Renfrewshire case study](#)

Explore the LGBF data by service, across councils and over time using the [My Local Council Tool](#)

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For further information about the Local Government Benchmarking Framework, please visit [www.improvementservice.org.uk/benchmarking](http://www.improvementservice.org.uk/benchmarking) or email [jacqueline.greenlees@improvementservice.org.uk](mailto:jacqueline.greenlees@improvementservice.org.uk).

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