

Economic Outcomes Programme Overview Report

Leveraging Council Resources for Increased Economic Impact



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Improvement Service

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ABOUT THIS REPORT

This is the Overview report for the Economic Outcomes Programme (EOP), which has been developed with input from Scotland's 32 local authorities. The report is designed to support councils to further enhance their economic impact. It does so by looking beyond traditional economic development interventions, to examine a range of corporate 'economic levers' that councils directly influence.

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- Federation of Small Businesses;
- Fraser of Allander Institute;
- Highlands & Islands Enterprise;
- Improvement Service;
- NHS Health Scotland;
- SOLACE;
- Scottish Enterprise;
- Scottish Government;
- Scottish Local Authorities Economic Development Group (SLAED); and
- Skills Development Scotland.

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EXECUTIVE SUMMARY

INTRODUCTION

Scotland's Local Authorities make a major positive contribution to the economy of Scotland. Councils are responsible for the planning and delivery of a wide range of services that are crucial to the effective functioning of the economy, such as roads, planning and education.

All 32 councils recognise the importance of economic outcomes and local government in Scotland works jointly with a range of stakeholders to support the growth of an inclusive economy through a mix of local, regional and national activities.

In addition to mainstream interventions delivered by local authority economic development staff - such as employability, sectoral support, business start-up and business growth programmes - Scotland's councils are also major economic players in their own right.

With annual income in excess of £15bn, councils employ over 230,000 people (187,000 FTE), spend around £7bn on procurement, are responsible for managing over 40,000 physical assets and deliver a wide portfolio of services, many of which are vital to the everyday functioning of the country.

This report focuses on how councils can maximise these key 'economic levers' – as employers, procurers and asset owners – in order to complement conventionally defined economic development activities.

The Economic Outcomes Programme (EOP) analysis has highlighted significant leadership across Scotland's local authorities in this area. This includes numerous examples of good practice and creativity in utilising these economic levers, together with an increasing appetite within councils for joined-up, corporate approaches to maximising economic impact – both within the council and across wider partnerships.

The report also recognises that more can be done to advance this approach. This includes the need for further support, development and sharing of good practice across councils. It also includes encouraging other public sector partners – within Community Planning Partnerships (CPPs) and beyond – to adopt similar approaches with regard to improved

understanding of the economic levers at their disposal and maximising their contribution to Scotland's economy.

32 individual Council 'Economic Footprint' Reports formed the central output of the Economic Outcomes Programme. Tailored reports were developed for each council to highlight their current economic impact and consider ways that this positive impact might be further enhanced. Each council has been invited to consider their local Economic Footprint report and further actions they might undertake to increase impact.

The proposal to undertake the EOP work developed initially from the [Economic Development Improvement Guide](#), which was produced by the IS in conjunction with SLAED and with support from the Scottish Government. The work concerning economic footprint reports reflects some of the key messages concerning corporate, joined-up approaches to economic development, which were set out within the initial IS-SLAED Improvement Guide.

This Overview report summarises the key issues and challenges highlighted by the Economic Footprint analysis. In doing so, it also sets out the opportunities for Scotland's councils and broader public sector to further enhance their positive economic impact.

CONTEXT

The EOP draws its broad focus from the concept of 'inclusive growth', as set out in [Scotland's Economic Strategy](#) and in a range of associated strategies aimed at promoting issues including fair work, quality jobs, equality, place development, social and economic cohesion and tackling poverty. The essence of the approach encapsulates growth that combines increased prosperity with greater equality, creating opportunities for all, and distributing the benefits of increased prosperity more equitably. As the lead partner for local economic development, this is an agenda that sits well with councils. Indeed, Scotland's local authorities have been practising and promoting the broad principles of 'inclusive growth' approaches for decades. The EOP approach has also drawn upon emerging approaches to community wealth building¹.

The EOP analysis has taken place against a background of sustained pressures on public finances, reducing resources, changing demographics and a range of uncertainties stemming from issues such as Brexit and Welfare Reform. Within this context, the importance of

¹ e.g. <https://cles.org.uk/tag/the-preston-model/>

increasing Scotland's taxation income and managing down demand for public services in a sustainable manner has never been more important.

In this respect, improving economic outcomes is at the heart of preventative approaches and is also a vital building block for bringing about sustainable improvements in a wider range of social and environmental outcomes. For example, increasing the proportion of economically active citizens functioning in a vibrant economy will help increase taxation take and reduce long-term demand for public services. Assisting more disadvantaged citizens to participate often requires more creative, expensive and longer-term support mechanisms. On the other hand, failing to do so, typically results in the continuation of a cycle of poor outcomes and ongoing rising demand for a range of public services.

This is an area where the public sector has an important role to play in addressing such 'market failures'. This will include the ongoing delivery of traditional economic development interventions. But it should also involve greater awareness of how councils and other public sector partners might utilise their broader, corporate economic levers to help address such challenges. For example, as an alternative to countless social service type interventions over an extended period of time, might a supported work experience placement programme within a public body provide a more sustainable route out of poverty?

The EOP analysis has looked at three major economic levers that councils directly control, through their role as:

- Major local employers;
- Significant buyers of goods and services; and
- Asset owners.

Despite their significance, these economic levers typically receive little explicit recognition in published economic strategies. It is likely that many public sector bodies do not routinely consider themselves as 'economic actors', in their own right. Accordingly, approaches to utilising these levers are often sporadic, poorly resourced and perhaps not as well understood as they might be. Whilst there are many pockets of good practice in each of these functional areas, these are patchy across the country. Accordingly, there is a major opportunity for councils – and the wider public sector – to recognise the potential of these levers and to be much more ambitious in achieving additional value from the way these levers are deployed.

In a context where public sector partners have signed Local Outcomes Improvement Plans (LOIPs), which commit all the partners collectively to improving outcomes, tackling poverty and inequalities, the question is posed as to whether partnerships could do more to achieve their shared objectives by a more creative and systematic application of these collective corporate economic levers. In short, improving economic outcomes is not just a task for CPP partners, such as HIE, SE, SDS and councils, that have a formal lead role in economic development; rather, significant contributions to economic outcomes can also be made by many other partners. For example, the NHS too is a major employer, procurer and asset owner. A more systematic approach to utilising these corporate economic levers is an area where all public sector partners have the potential to make a greater contribution.

The current policy context for this approach is highly supportive. Developments in the legislative framework in recent years have resulted in a range of new duties being placed on public bodies, which support and encourage a more interventionist approach. For example, the [Community Empowerment Act](#), the [Fairer Scotland Duty](#) and the [Procurement Reform Act](#) all point towards a legislative and policy context that is supportive in encouraging the type of activities highlighted in the EOP analysis. The intent underpinning these developments is firmly focused on the public sector doing more to improve outcomes, tackle inequalities and generally obtain greater added value from public sector resources. The approach set out within the EOP analysis provides public bodies with a means of extending the way in which they can deliver on a range of new duties.

Dialogue with stakeholders has also involved discussion on the need for more work to be carried out with regard to regional analysis. The principles embodied both within this Overview report and the local authority Economic Footprint reports can be readily applied at a range of spatial levels. Indeed, for many of the levers considered, the reality of the economic geography – in terms of travel to work, supply chains, etc – is not naturally restricted to the local authority administrative boundary.

As part of the next steps for the EOP work, the key local authority partners with an interest in economic development have committed to taking forward a joint programme, which will include further work in areas including regional approaches and inclusive growth.

In summary, the EOP analysis has highlighted the range of ways that councils are utilising broader corporate economic levers to enhance impact. It has also identified the opportunity within councils and across the public sector to utilise these economic levers much more proactively to further enhance the positive economic impact of the public sector in Scotland.

WHAT THE EVIDENCE TELLS US

The analysis highlights that there is significant variation across individual councils. This partly reflects issues of scale, context, policy choice and the complex range of individual challenges confronting each council. The EOP analysis is not designed to encourage inappropriate or misleading comparisons between councils. (For example, there are obvious limitations for a small council in relation to local procurement opportunities, relative to that of a large urban council, with an abundance of local suppliers on its doorstep).

Whilst there are also inevitable limitations in the available data for each of the economic levers considered within the EOP analysis, the broad issues highlighted in individual Footprint Reports and in this Overview report are valid. The known data limitations are set out within the main Overview report. Whilst this report highlights areas that require further analysis and improved data, it also sets out a series of defensible conclusions that have the potential to enhance economic impact. In this sense, the data is considered to be 'robust enough' to commence discussions amongst senior leadership teams on taking forward this agenda.

The issues of data limitation notwithstanding, the following broad issues have been identified through the EOP analysis.

Council Employment

- Councils act as substantial employers in their own right, employing some 230,000 people across Scotland² (187,000 FTE), approximately half of whom work on a part-time basis. Most often, these employees are resident within the same employing Council area. Council employment typically makes a substantial contribution to the total resident employment in their area, being 10 per cent or more in 11 council areas.
- Although councils are typically downsizing their overall employment levels, they remain significant employers. Replacement demand and planning for future workforce requirements will mean that there will be ongoing recruitment opportunities.
- While Councils are major employers in their areas, in many cases the proportion of staff from the most disadvantaged areas is disproportionately low (this is the case

² 2015 employment & salary data provided for 29 councils, 2018 data provided for two councils, one council did not provide employment & salary data.

for all but seven councils), and the associated share of salary spend in those areas is also disproportionately low (the case for all but five councils).

- Relatively low paid, part time working is prevalent in many councils (part time employment status being 50% of headcount or greater in 11 councils, with an average salary of £11.8k), making a substantial portion of the workforce potentially vulnerable to changes in welfare reform. (This is particularly likely to be the case in the minority of councils where a relatively high share of employees are from the most disadvantaged areas).
- Tackling poverty in the most disadvantaged areas may be supported by finding new ways for Councils and Community Planning partners to recruit more people from their most disadvantaged areas, albeit as one of a number of measures in delivering sustainable and inclusive growth through Local Outcomes Improvement Plans.

Council Procurement

- In addition to the direct employment benefits contributed by councils to their local area, councils also spend a substantial part of their procurement budget within their localities: averaging £60m per Council in 2017, and ranging from £9m in Clackmannanshire to £242m in Glasgow City.
- Local spend as a share of total procurement spend, varies significantly across councils: ranging from 12% in West Dunbartonshire, to 46% in the Shetland Isles, and with an average local spend of 27%. Whilst this partly reflects the relative availability of local suppliers, that factor alone does not fully explain the variation.
- On average across all Councils, the share of local spend has held up reasonably well over the past decade (2008-17), with a slight reduction of some 3%.
- However, only a small number of councils have substantially increased the share of local spend over the last decade (10% and above in six councils) and, in many, the local share has remained the same or declined (12 councils).
- Further, this local spend has been with a significantly reduced number of local suppliers. The number of local suppliers has dropped by 42% over the period 2008-17, and most councils have witnessed a reduction in the number of local suppliers (24 councils). In effect, whilst the *value* of local spend has held fairly consistently, this spend is now with a much smaller *number* of local suppliers. This may reflect changes in the nature of contracting over the period. It may also reflect a degree

of aggregation in the supply base, in which case, the local wealth retention impacts may be minimal. However, it may also signify withdrawal from the market by some suppliers, with consequences for the vitality of the local supplier sector, especially SMEs.

- The data suggests that, on average, around a third of council spend is outside of Scotland and this may indicate an opportunity to increase procurement with Scottish-based companies. Whilst there are known limitations to the available data, in terms of additional economic impact, the potential to reduce leakage of any spend outwith Scotland is of relevance to the Scottish economy.
- From a localism perspective, the share of non-local or non-Scottish spend indicates scope to re-orient a degree of spend in order to foster local inclusive growth objectives. Likewise, the desire to develop regional supply chains is a feature of a number of City / Growth Deals and there is potential for enhanced collaborative working around this agenda.
- Analysis of the proportion of procurement from small businesses highlights both the importance of small businesses to many local economies, as well as the significant opportunities to further promote greater small company engagement. This could include measures such as expanding use of the Supplier Development Programme, promoting supply chain opportunities, increasing local spend and using employability initiatives to forge closer links between schools and local businesses.
- There is potential to significantly extend the effective use of Community Benefit Clauses (CBCs). Whilst progress is being made with CBCs, it is apparent that much more could be done. The value of CBCs is very small relative to total council procurement spend. CBCs also tend to operate predominantly within construction-related spend and are much less prevalent across other spend areas. More creative application of CBCs across the full range of council spend could have a significance positive impact. This might include more strategic and collaborative approaches across local government to specifying priority areas for community benefits. e.g. This could entail specifying community benefits that support shared priorities, such as tackling poverty. Likewise, stronger implementation and enforcement of CBCs would also result in enhanced impact.

Council Asset Management

- The assets managed by a council represent a third major lever for local economic development. Some 40,000 assets are managed by Scotland's local authorities, including a wide range of land, buildings and infrastructure.
- Most councils have a corporate approach to asset management and publish asset registers, with a recent driver for this being the requirements of the Community Empowerment (Scotland) Act 2015.
- In addition, there is evidence of a general direction of travel towards a corporate asset management approach, linked to social and economic outcomes, at all levels from strategic to local. This is evident in a wide range of councils and partnerships.
- A key focus includes evolving the council asset portfolio to ensure it is accessible for disadvantaged populations, either via physical location and/or via transport links. This can assist in relation to service uptake and in terms of providing employment opportunities. More generally, the location of council assets can clearly also encourage footfall that promotes wider commercial sustainability.
- Whilst most councils have examples of good practice, assessments of individual council practice in asset management indicates scope, in the majority of cases, to further enhance current approaches.
- A significant step forward in monitoring asset management, and sharing lessons across councils, would be the development of a standard approach towards compilation and publication of the asset inventory.

SELECTED EXAMPLES OF GOOD PRACTICE

The EOP identified a range of examples of good practice across councils that demonstrate innovative approaches. This Overview report highlights a small selection of examples. Next steps for the EOP work could include further collation and dissemination of additional good practice case studies.

SELF-ASSESSMENT TOOLS

The report sets out a number of self-assessment tools that can be used by councils and others to review their role as employer, buyer and asset manager, within the context of inclusive growth, and with a view to further developing good practice. These tools can be used on an ongoing basis to periodically review activities and identify scope for further improvement.

CONCLUSION

Economic outcomes are central to achieving a wide range of other outcomes, such as obtaining sustainable employment and, at the same time, reducing the need for other council (and partner) interventions such as housing support, social work, advice and similar services.

The EOP analysis highlights the fact that councils control and influence a range of levers that have a significant impact on economic outcomes. These are levers that tend not to routinely feature within economic development strategies of councils and partnerships. The Overview report emphasises the strategic importance of placing inclusive growth and economic development centrally as a key corporate function of local authorities, in a way that goes beyond a 'traditional' approach to economic development activities. By utilising the full potential of these levers, local authorities have an opportunity to significantly enhance their positive economic impact and improve a range of priority outcomes that typically feature in key strategic documents such as Council Plans and LOIPs.

RECOMMENDED AREAS FOR CONSIDERATION

Whilst each Council's Economic Footprint Report sets out local analysis and recommendations, there are also a number of common themes that have emerged across the work. This section sets out the broad areas that councils are invited to consider.

Whilst the EOP analysis has been limited to local authorities, it is likely that many of the issues raised in this work will be broadly applicable to other public sector partners.

Council Employment

1. Explicitly consider and articulate councils' significant potential as major employers in influencing Council and CPP inclusive growth objectives and related outcome priorities. This could be reflected in Economic Strategies and other associated documents / action plans. By setting clear and proportionate objectives in this area, councils can develop a creative and more corporate approach to economic development.
2. Develop councils' corporate strategies to improve direct council employment, training and work experience opportunities for disadvantaged target groups or areas. For example, a number of councils provide guaranteed interview and other support schemes for looked after children leaving the education system. Further, Council employees from deprived areas often have part-time and low paid positions, so benefit could also be gained from targeting better quality and higher paid positions and supporting target groups to develop the relevant skills required to take on such roles. Likewise, such approaches could also be considered in terms of in-work career development and overall future workforce planning.
3. Linked to the above, ensure the corporate strategy is supported by a well-developed employability strategy that identifies deprived individuals, groups or areas which would benefit from targeted recruitment and opportunities in terms of council employment (e.g. most deprived data zones or other areas of dispersed rural deprivation).
4. Review the availability, scale and character of internal Modern Apprenticeship Programmes and their relevance to target areas or groups. Consider targeting (at least some) Modern Apprenticeship opportunities at deprived target groups / areas.
5. Cross-reference areas of significant non-local council recruitment against local skills gaps and work with employability teams to ensure mechanisms are in place to match these with employability/skills interventions. This will help to ensure that local residents are equipped to take advantage of council employment opportunities. HR and Employability teams working closely can ensure that real-time intelligence on council recruitment patterns can be closely monitored and interventions appropriately tailored.
6. Review the potential implications of Welfare Reform for council staff in terms of profile of those affected, and appropriate responses in terms of how the council could use its role as an employer to support these individuals and maintain staffing levels.

7. Identify mechanisms to ensure that any future reductions in council services or staffing numbers do not have a disproportionate impact on payroll and employment in the most disadvantaged communities.

Council Procurement

1. Explicitly consider and articulate councils' significant role as a buyer in influencing inclusive growth in the Procurement Strategy, Economic Strategy, and allied documents. This can be supported through maintaining and monitoring an up-to-date action plan linked to inclusive growth objectives with clear and proportionate actions / targets.
2. Ensure a clear and consistent approach to procurement across departments, including the economic development function, with roles and responsibilities clearly identified and awareness of the need for a corporate approach.
3. Develop a strategy for engaging target groups/areas in developing solutions to improve local procurement opportunities (including development of SMEs and social economy sector organisations).
4. Work with relevant Community Planning partners to promote shared objectives for procurement in relation to target groups/areas (including most deprived data zones or other areas of dispersed rural deprivation) and clearly define roles and responsibilities. Where relevant, extend collaboration to City Deal / Growth Deal / Regional partners.
5. Review the availability, scale, range and character of Community Benefit Clauses and whether these are relevant to identified target areas/groups. In particular, consider more creative application of CBCs in non-traditional procurement areas (e.g. extending beyond construction) to target specific areas of deprivation. Likewise, consider opportunities for a more strategic approach across the public sector to identifying and specifying common desired community benefits (e.g. focusing on, say, tackling poverty). An enhanced approach to CBCs should be supported by robust policies and procedures for implementing, monitoring and enforcement in order to ensure maximum benefit is achieved.

6. Review procurement with local suppliers, especially small suppliers, and the extent to which they benefit from sub-contracting. This can be supported through a well-developed local supplier development programme and monitoring of the share and character of local procurement through effective data collection and analysis to enable targeted responses.
7. Ensure intelligence on local Council spend by sector is available to, and reflected within, council and CP partners' approaches to supporting local businesses. This includes identifying and addressing instances where procurement in key sectors takes place outwith the local area.
8. Where appropriate, consider with regional partner councils and others the scope for enhanced benefits via regional collaboration on procurement.

Council Asset Management

1. Explicitly consider and articulate councils' significant role as an asset manager in influencing inclusive growth within the Asset Management Strategy, Economic Strategy, and allied documents. This approach could seek to ensure that a full range of assets are used to maximise inclusive growth and support the wider regeneration and reducing inequalities agendas. This approach could be supported by an up-to-date action plan with clear and proportionate targets, where applicable.
2. Ensure a clear and consistent corporate approach to asset management across departments, including the economic development function, with roles and responsibilities clearly identified. This would entail more explicit joint working between asset management and economic development staff.
3. Review and monitor the availability, scale and character of Community Asset Transfer and its relevance and benefit to identified target areas or groups.
4. Develop a strategy for engaging and supporting target groups/areas (including most deprived data zones or other areas of dispersed rural deprivation) in developing solutions to improve asset management opportunities. This could be supported through the implementation of Community Asset Transfer opportunities, for which there should be an accessible point of contact / lead officer within the council for community groups. Likewise, setting in place a range of professional help to encourage and support appropriate community asset transfer will encourage sustainable improvements.

5. Work with relevant Community Planning partners to promote shared objectives for asset management in relation to target groups or areas and clearly define roles and responsibilities.
6. As relevant, consider value / potential for the establishment of a cross-council (or region wide) asset inventory, as a first step to assessing collaborative potential on major strategic assets.
7. Adopt a standard approach to publication of an asset inventory which supports the compilation of regional and city-based, as well as national, registers to support various purposes and collaborations. *(The Improvement Service could work with councils to support the development of such an approach).*

NEXT STEPS

Councils are invited to consider the findings and conclusions of this report. They are also invited to utilise the self-assessment tools, when reviewing their current approaches to inclusive growth and economic development. Specifically, the intention behind the EOP work is to support councils to make best use of the economic levers at their disposal including their significant roles as employers, buyers and asset managers. In effect, this is about utilising the full range of corporate resources to achieve the economic outcome priorities of the council and CPP.

Specifically, council senior management teams are invited to actively consider the core EOP messages and the key conclusions and recommendations contained within this Overview report and within individual footprint reports.

Scotland's local authorities have demonstrated leadership in this area through contributing resources to enable the EOP work to be undertaken. The lessons identified, and the levers discussed, typically apply across Community Planning partners and wider public sector bodies. All Community Planning partners have endorsed the same Local Outcomes Improvement Plans and have joint responsibility for delivering the totality of the outcome improvements set out within those Plans. It is, therefore, suggested that councils may wish to share the EOP approach with CP partners and encourage them to assess what else they too might contribute as major employers, procurers and asset owners.

This approach also reflects an important leadership opportunity for councils to further extend existing partnership working in order to advance the joint priorities that have been agreed for improving economic outcomes and reducing inequality.

In support of this goal, the Improvement Service highlights example of support it could offer on an ongoing basis for the following activities:

- Regular updated employment / salaries analysis on latest available data provided by councils;
- Regular procurement spend analysis on latest available data;
- Support working in consort with other local government economic development partners, to help take forward major issues arising out of the emerging work in this area, such as support for the development of regional approaches and operationalising specific actions for inclusive growth; and
- Support an approach to developing common asset inventory standards, which would facilitate cross-boundary collaboration.

Discussions have also taken place across local government organisations with an interest in economic development and there is a commitment to work together across SOLACE, SLAED, CoSLA and the IS to progress this agenda. This will include work with a wide range of other local government professional groups as well as other non-local government stakeholders.

MAIN REPORT

1 INTRODUCTION

1.1 PURPOSE OF THIS REPORT

The purpose of this report is to draw on the varied lessons of the Economic Outcomes Programme (EOP) to highlight key challenges and opportunities as experienced by Councils in relation to improving economic outcomes through inclusive growth and with a focus on early intervention and prevention, as well as to provide guidance on how councils can further provide leadership on improving economic outcomes in their areas.

Examples of good practice and innovation are drawn from across the 32 councils and guidance tools are provided that councils (and others) can continue to draw upon beyond the life of the EOP.

1.2 ABOUT THE ECONOMIC OUTCOMES PROGRAMME

The EOP was developed to help local authorities understand their significance as economic actors within their local area, and more widely across Scotland. Building on that understanding, the EOP seeks to work with councils to identify how they can enhance their economic impact and improve economic outcomes.

The proposal to undertake this work developed initially from the [Economic Development Improvement Guide](#), which was produced by the IS in conjunction with SLAED and with support from the Scottish Government. The work concerning economic footprint reports reflects some of the key messages concerning corporate, joined-up approaches to economic development, which were set out within the initial IS-SLAED Guide.

Most council and local partnership economic strategies tend to focus on economic development service delivery rather than the wider direct economic levers considered in this report. The EOP is, therefore, intended to complement existing local economic strategies by encouraging a focus on these other ways that councils can help facilitate positive economic impact.

Individual council Economic Footprint Reports and associated recommendations and action plans formed the central output of the EOP. Economic Footprint reports were developed for each council to consider their current economic impact and ways that this positive impact might be further enhanced.

Scotland's Local Authorities make a major positive contribution to the economy of Scotland. Councils are responsible for the planning and delivery of a wide range of services that are crucial to the effective functioning of the economy, such as roads, planning and education.

All 32 councils recognise the importance of economic outcomes and local government in Scotland works jointly with a range of stakeholders to support the growth of an inclusive economy through a mix of local, regional and national activities.

In addition to mainstream interventions delivered by local authority economic development staff - such as employability, sectoral support, business start-up and business growth programmes - Scotland's councils are also major economic players in their own right.

With annual income in excess of £15bn, councils employ over 230,000 people (187,000 FTE), spend around £7bn on procurement, are responsible for managing over 40,000 physical assets and deliver a wide portfolio of services, many of which are vital to the everyday functioning of the country.

This report focuses on how councils can maximise these key 'economic levers' – as employers, procurers and asset owners – in order to complement conventionally defined economic development activities.

The Economic Outcomes Programme (EOP) analysis has highlighted significant leadership across Scotland's local authorities in this area. This includes numerous examples of good practice and creativity in utilising these economic levers, together with an increasing appetite within councils for joined-up, corporate approaches to maximising economic impact – both within the council and across wider partnerships.

The report also recognises that more can be done to advance this approach. This includes the need for further support, development and sharing of good practice across councils. It also includes encouraging other public sector partners – within Community Planning Partnerships (CPPs) and beyond – to adopt similar approaches with regard to improved understanding of the economic levers at their disposal and maximising their contribution to Scotland's economy.

32 individual Council 'Economic Footprint' Reports formed the central output of the Economic Outcomes Programme. Tailored reports were developed for each council to highlight their current economic impact and consider ways that this positive impact might be further enhanced. Each council has been invited to consider their local Economic Footprint report.

This Overview report summarises the key issues and challenges highlighted by the Economic Footprint analysis. In doing so, it also sets out the opportunities for Scotland's councils and broader public sector to further enhance their positive economic impact.

1.3 APPROACH

With the support of a nominated lead officer in each council, the EOP included:

- A review of the council's key strategic documents relevant to the analysis;
- An analysis of key data sources, principally on how the council spends the bulk of its funding via payroll and procurement;
- Discussion with the local lead officer to develop an understanding of the economic challenges and opportunities, as well as the structure and focus of service delivery relating to economic outcomes; and

- Based on a synthesis and analysis of the above, development of a Footprint report to inform discussions within council management teams. This was with a view to specific actions being agreed, which would complement ongoing council activities and further improve economic outcomes.

1.4 LIMITATIONS

A number of report limitations are noted.

Employment Data

Employment and payroll data was provided by 29 Councils for 2015, and by two councils for 2018. One council did not provide employment and payroll data. A number of changes will have occurred within individual councils during the intervening period, such as staff reductions, adoption of Living Wage in a number of councils, etc. Despite such developments, the overall trends within this report remain broadly relevant. As noted in the Next Steps section, the Improvement Service will also offer to provide updated analysis of the latest available salaries data, should councils wish this.

In relation to employment / salaries analysis, 'disadvantaged areas' are defined as the SIMD 20% most employment deprived areas for each council area.

The employment / salary chapters were based on analysis of data. Further detailed work will be required to fully explain some of the reasons for variation between councils, for example in relation to the proportion of staff resident in disadvantaged areas.

Procurement Data

In presenting data on council procurement, evidence is drawn from the Scottish Procurement Information Hub (SPIH), for the latest available year, and reflects the consistency and accuracy of the source material held by SPIH and provided by individual councils. A number of councils have raised the issue of local spend being under-represented in SPIH due to the potential for some companies' headquarters / registered base for procurement purposes being located in a different council area - a limitation to note with the data source. A second issue is that the SPIH data does not include information relating to sub-contracting. The EOP work has helped to highlight these type of existing data deficiencies and discussions are taking place with procurement colleagues to consider how potential solutions might be developed that would result in stronger data in the future that would be better able to track local spend, etc. The IS will offer to continue to work with councils and procurement bodies to further explore how these issues of data deficiency can best be addressed.

Similarly, in discussion of council procurement, and the relative share of spend in local areas, it is acknowledged that the supply base will vary widely by council, limiting scope for action in some circumstances, e.g. smaller councils are likely to have a much reduced local supply base.

Deprivation analysis

Reference is made to the Scottish Index of Multiple Deprivation (SIMD) in the analysis of council employment and payroll. It is recognised that this measure of poverty may not fully capture more dispersed poverty, such as may typically be experienced in rural dominated council areas. There is currently no readily available data source that can provide a suitable alternative for consistently measuring rural deprivation.

The analysis of employment contained within the EOP assessed the extent to which councils employed people from Scotland's most deprived areas, as measured by SIMD. For councils that contain a relatively small proportion of SIMD's most deprived areas, it is not unusual that those councils will typically employ relatively few people from the SIMD most deprived areas. Accordingly, to offer a more useful illustration for such councils, this report additionally includes a breakdown of each council's local resident employment, based purely on local deprivation data.

Value for Money: local vs national

In the report we emphasise opportunities to promote local employment and procurement to enhance inclusive growth. While targeted approaches in this regard have merit in retaining wealth in local areas, building local capacities, and reducing service demand associated with high levels of deprivation, these need to be balanced against the need to maintain open and fair employment and procurement practices across Scotland, and beyond. Likewise, the intention in the analysis is not to encourage parochialism. Competition and diversity are important aspects of economic prosperity. Clearly, there is a need to balance a range of considerations, including value for money, encouraging local suppliers vs encouraging suppliers to be outward-looking and export oriented.

Dimensions of Practice

The data presented in the 'Dimensions of Practice' sections for employment, procurement and asset management does not represent all 32 local authorities as this element was not featured in all footprint reports. In part, this is because this approach to assessment was developed as the programme evolved, based on feedback from councils that were engaged early in the process. Dimensions of Practice scoring is indicative rather than definitive and intended to provide a baseline for discussion, benchmarking and development.

Commentary on data limitations

The analysis highlights that there is significant variation across individual councils. This partly reflects issues of scale, context, policy choice and the complex range of individual challenges confronting each council. The EOP analysis is not designed to encourage inappropriate or misleading

comparisons between councils. (For example, there are obvious limitations for a small council in relation to local procurement opportunities, relative to that of a large urban council, with an abundance of local suppliers on its doorstep).

Whilst there are inevitable limitations in the available data for each of the economic levers considered within the EOP analysis, the broad issues highlighted in individual Footprint Reports and in this Overview report are valid. The major known data limitations have been summarised within this section. Whilst this report highlights areas that require further analysis and improved data, it also sets out a series of defensible conclusions that have the potential to enhance economic impact. In this sense, the data is considered to be 'robust enough' to commence discussions amongst senior leadership teams on taking forward this agenda.

1.5 REPORT STRUCTURE

The remainder of this report is set out as follows:

- Summary of Policy Context and Current Knowledge;
- Key Issues / Trends Identified by Council Footprint Reports;
- Highlighted Examples of Good Practice Approaches;
- Guidance on Developing Practice; and
- Conclusions and Next Steps.

2 POLICY CONTEXT AND ISSUES

2.1 INCLUSIVE GROWTH AGENDA

The EOP draws its broad focus from the concept of ‘inclusive growth’, as set out in [Scotland’s Economic Strategy](#) and in a range of associated strategies aimed at promoting issues including fair work, quality jobs, equality, place development, social and economic cohesion and tackling poverty. The essence of the approach encapsulates growth that combines increased prosperity with greater equality, creating opportunities for all, and distributing the benefits of increased prosperity more equitably.

As the lead partner for local economic development, this is an agenda that sits well with councils. Indeed, Scotland’s local authorities have been practising and promoting the broad principles of ‘inclusive growth’ approaches for decades.

2.2 POLICY ENVIRONMENT

The EOP draws its broad focus from the concept of ‘inclusive growth’, as set out in [Scotland’s Economic Strategy](#) and in a range of associated strategies aimed at promoting issues including fair work, quality jobs, equality, place development, social and economic cohesion and tackling poverty. The essence of the approach encapsulates growth that combines increased prosperity with greater equality, creating opportunities for all, and distributing the benefits of increased prosperity more equitably. As the lead partner for local economic development, this is an agenda that sits well with councils. Indeed, Scotland’s local authorities have been practising and promoting the broad principles of ‘inclusive growth’ approaches for decades.

The EOP analysis has taken place against a background of sustained pressures on public finances, reducing resources, changing demographics and a range of uncertainties stemming from issues such as Brexit and Welfare Reform. Within this context, the importance of increasing Scotland’s taxation income and managing down demand for public services in a sustainable manner has never been more important.

In this respect, improving economic outcomes is at the heart of preventative approaches and is also a vital building block for bringing about sustainable improvements in a wider range of social and environmental outcomes. For example, increasing the proportion of economically active citizens functioning in a vibrant economy will help increase taxation take and reduce long-term demand for public services. Assisting more disadvantaged citizens to participate often requires more creative, expensive and longer-term support mechanisms. On the other hand, failing to do so, typically results

in the continuation of a cycle of poor outcomes and ongoing rising demand for a range of public services.

This is an area where the public sector has an important role to play in addressing such ‘market failures’. This will include the ongoing delivery of traditional economic development interventions. But it should also involve greater awareness of how councils and other public sector partners might utilise their broader, corporate economic levers to help address such challenges. For example, as an alternative to countless social service type interventions over an extended period of time, might a supported work experience placement programme within a public body provide a more sustainable route out of poverty?

The EOP analysis has looked at three major economic levers that councils directly control, through their role as:

- Major local employers;
- Significant buyers of goods and services; and
- Asset owners.

Despite their significance, these economic levers typically receive little explicit recognition in published economic strategies. It is likely that many public sector bodies do not routinely consider themselves as ‘economic actors’, in their own right. Accordingly, approaches to utilising these levers are often sporadic, poorly resourced and perhaps not as well understood as they might be. Whilst there are many pockets of good practice in each of these functional areas, these are patchy across the country. Accordingly, there is a major opportunity for councils – and the wider public sector – to recognise the potential of these levers and to be much more ambitious in achieving additional value from the way these levers are deployed.

In a context where public sector partners have signed Local Outcomes Improvement Plans (LOIPs), which commit all the partners collectively to improving outcomes, tackling poverty and inequalities, the question is posed as to whether partnerships could do more to achieve their shared objectives by a more creative and systematic application of these collective corporate economic levers. In short, improving economic outcomes is not just a task for CPP partners, such as HIE, SE, SDS and councils, that have a formal lead role in economic development; rather, significant contributions to economic outcomes can also be made by many other partners. For example, the NHS too is a major employer, procurer and asset owner. A more systematic approach to utilising these corporate economic levers is an area where all public sector partners have the potential to make a greater contribution.

The current policy context for this approach is highly supportive. Developments in the legislative framework in recent years have resulted in a range of new duties being placed on public bodies, which support and encourage a more interventionist approach. For example, the [Community Empowerment Act](#), the [Fairer Scotland Duty](#) and the [Procurement Reform Act](#) all point towards a legislative and policy context that is supportive in encouraging the type of activities highlighted in the EOP analysis. The intent underpinning these developments is firmly focused on the public sector doing more to improve outcomes, tackle inequalities and generally obtain greater added value from public sector resources. The approach set out within the EOP analysis provides public bodies with a means of extending the way in which they can deliver on a range of new duties.

2.3 POTENTIAL LEVERS FOR COUNCILS

Councils have a number of potential levers for local economic development³ including, support for local skills development, transport infrastructure, planning, housing support, etc. A number of key areas of potential economic influence, and the focus of this work, include;

1. **Direct Employment** by Councils as an important lever for:
 - channelling spend within the area, particularly to localities/ client groups which are most disadvantaged. This might include targeted promotion of posts and working to plan for and adapt to potential impacts on lower paid Council employees who may be impacted by welfare reforms;

2. **Procurement**, such as:
 - Balancing value for money with opportunities to support local business and the voluntary and community sector, working with local suppliers including small suppliers to ensure capacity to tender for council work, and pooling budgets with other authorities and Community Planning Partners to increase buying power as well as join up community benefits goals⁴; and

3. **Asset Management** specifically, as a means of furthering local goals such as:
 - Pooling of resources, as mentioned above, as well as using tools such as Community Asset Transfer to promote Community Engagement objectives and to ensure that

³ Baars, S (2014) *The Levers of Local Economic Development, A Local Government Knowledge Navigator Evidence Review, Local Government Knowledge Navigator.*

⁴ *Work by the Centre for Local Economic Strategies with Manchester City Council re-enforces the findings of the EOP Economic Footprint reports in highlighting the substantial wider contribution that procurement can make to a local economy, and the significant gains that can be potentially made by re-orienting that spend. CLES (2018) Manchester City Council Spend Analysis 2016/17, CLES: Manchester*

council key assets are deployed in a way that maximises effective service delivery, employment opportunities and sustains the local economy.

The EOP analysis has looked at each of these three major economic levers

Despite their importance, these economic levers typically receive little explicit recognition in published economic strategies. It is likely that many public sector bodies do not routinely consider themselves as 'economic actors', in their own right. Accordingly, approaches to utilising these levers are often sporadic, poorly resourced and not as well understood as they might be. Whilst there are many pockets of good practice in each of these functional areas, inevitably, these are patchy across the country. Accordingly, there is a major opportunity for councils – and the wider public sector – to recognise the potential of these levers and to be much more ambitious in achieving additional value from the way these levers are deployed.

In a context where public sector partners have signed Local Outcomes Improvement Plans (LOIPs), which commit all the partners collectively to improving outcomes, tackling poverty and inequalities, the question is posed as to whether partnerships could do more to achieve their shared objectives by a more creative and systematic application of these collective corporate economic levers. In short, improving economic outcomes is not just a task for CPP partners, such as HIE, SE, SDS and councils, that have a formal lead role in economic development; rather, significant contributions to economic outcomes can also be made by many other partners. A more systematic approach to utilising these corporate economic levers is an area where all public sector partners have the potential to make a greater contribution.

2.4 CONCLUSION

Within this context, the key messages of the EOP are:

- Economic outcomes can provide a building block for improving a much wider range of life outcomes;
- Improving economic outcomes is a key element of the prevention agenda and can play a major role in managing down long-term demand for a wide range of public services;
- Councils, and Community Planning partners, control and influence a range of levers that impact on Economic Outcomes, which typically do not feature in traditional economic development strategies; and
- There is an opportunity for councils – and other public sector organisations – to achieve greater positive impact by utilising these corporate levers on a more systematic basis.

In summary, the EOP analysis has highlighted the range of ways that councils are utilising broader corporate economic levers to enhance impact. It has also identified the opportunity within councils

and across the public sector to utilise these economic levers much more pro-actively to further enhance the positive economic impact of the public sector in Scotland.

3 WHAT THE EVIDENCE TELLS US

Summary

The noted issues of data limitation notwithstanding, a number of broad issues and trends have been identified through the EOP analysis.

Employer role

Councils are typically major employers in their areas, but, in many cases, the proportion of staff from the most disadvantaged areas is disproportionately low, and the associated share of salary spend in those areas is also low. Relatively low paid, part time working is prevalent in many councils. Tackling poverty in the most disadvantaged areas may be supported by finding new ways for Councils and Community Planning partners to recruit more people from their most disadvantaged areas, as additional measures to support the achievement of LOIP targets.

Procurement role

In addition to the direct employment benefits contributed by Councils to their local area, Councils also spend a substantial part of their procurement budget within their localities (27% on average). Only a small number of councils have substantially increased the share of local spend over the last decade, and in many, the local share has declined. Further, whilst across all Councils, the share of local spend has been fairly stable over the past decade (2008-17), this spend has been with a significantly reduced number of local suppliers. This is likely to be partly due to changes in the nature of contracting over the period.

The data suggests that, on average, around a third of council spend is outside of Scotland and this may indicate an opportunity to increase procurement with Scottish-based companies. Whilst there are known limitations to the available data, in terms of additional economic impact, the potential to reduce leakage of any spend outwith Scotland is of relevance to the Scottish economy.

From a localism perspective, the share of non-local or non-Scottish spend indicates scope to re-orient a degree of spend in order to foster local inclusive growth objectives. Likewise, the desire to develop regional supply chains is a feature of a number of City / Growth Deals and there is likely potential for enhanced collaborative working around this agenda.

There is potential to significantly extend the effective use of Community Benefit Clauses (CBCs). Whilst progress is being made with CBCs, it is apparent that much more could be done. The value of CBCs is very small relative to total council procurement spend. CBCs also tend to operate predominantly within construction-related spend and are much less prevalent across other spend areas. More creative application of CBCs across the full range

of council spend could have a significance positive impact. Likewise, stronger implementation and enforcement of CBCs would also result in enhanced impact

Asset Management role

The assets managed by a council represent a third major lever for local economic development. Some 40,000 assets are managed by Scotland's local authorities, including a wide range of land, buildings and infrastructure.

Most councils have a corporate approach to asset management and publish asset registers. There is evidence of a general direction of travel towards a corporate asset management approach, linked to social and economic outcomes, at all levels from strategic to local. This is evident in a wide range of councils and partnerships.

Whilst most councils have examples of good practice, assessments of individual council practice in asset management indicates scope, in the majority of cases, to further enhance current approaches.

3.1 INTRODUCTION

The EOP focused on three important levers for inclusive growth that Councils possess: direct employment, procurement spend, and the extensive property assets managed. This section of the report summarises a number of key features of Councils as employers, buyers and asset managers, as well providing an indication of the range of actions identified against these themes by individual Councils.

3.2 COUNCILS AS LOCAL EMPLOYER⁵

Councils act as substantial employers in their own right, employing some 233,318 persons⁶ (c.187,000 FTE). This ranges from 1,283 employees in the Western Isles, to just under 19,000 employees in Glasgow City Council. Most often, these employees reside within the same employing Council area (see Figure 3.1) and Council employment typically makes a substantial contribution to the total resident employment in their area, being 10 per cent or more in 11 council areas (see Figure 3.2).

Further, Councils often employ many people from areas of relative disadvantage (as measured by the Scottish Index of Multiple Deprivation), and the proportion of employees from Scotland's most deprived data zones is very significant in a number of Councils. For instance, it is over a quarter in North Ayrshire, Glasgow City and Inverclyde, and it is over a fifth in Dundee City, Renfrewshire, East Ayrshire, and North Lanarkshire, as shown in Figure 3.3. This is likely to be partly due to the high concentration of Scotland's most deprived areas within these local authority boundaries. Conversely, there are a number of Council areas where employment from the most disadvantaged areas is very low, and this is often because there are no, or very few, of Scotland's 20% most deprived data zones within these areas. Figure 3.4 therefore shows the percentage of employment from a local authority's own 20% most deprived data zones as a proportion of all employees who live within that Council area.

⁵ The direct effects of council employment presented do not include any additional or 'knock-on' effects that may accrue. Employment by local authorities also has an indirect and induced employment effect on the local economy in terms of retail, leisure and a range of other service areas through what are termed multiplier effects. These can occur in two ways:

- Supplier linkage effects (sometimes referred to as indirect effects or Type I multipliers) arise as employees increase their demands for goods and services from supplier businesses based within the local area and further afield. These businesses, in turn, increase their demands for goods and services and so on down the supply chain; and
- Income multiplier effects (sometimes referred to as induced multipliers or Type II multipliers) arise from the additional spending by those employed through direct or supplier linkage effects, on goods and services from suppliers based in the Council area and beyond.

In this way, it is important to recognise that council employees spend a proportion of their salaries in the local economy, supporting shops and businesses in their area as well as the wider regional economy. The estimation of indirect and induced employment from direct council employment was beyond the scope of the EOP project.

⁶ 2015 employment & salary data provided for 29 councils, 2018 data provided for two councils, one council did not provide employment & salary data.

This provides a more meaningful picture of how well Councils are targeting employment opportunity at those areas that are most deprived locally. This also demonstrates where there may be opportunities for Councils to use their existing and potential influence in terms of direct council employment to benefit the most disadvantaged areas both locally and in Scotland.

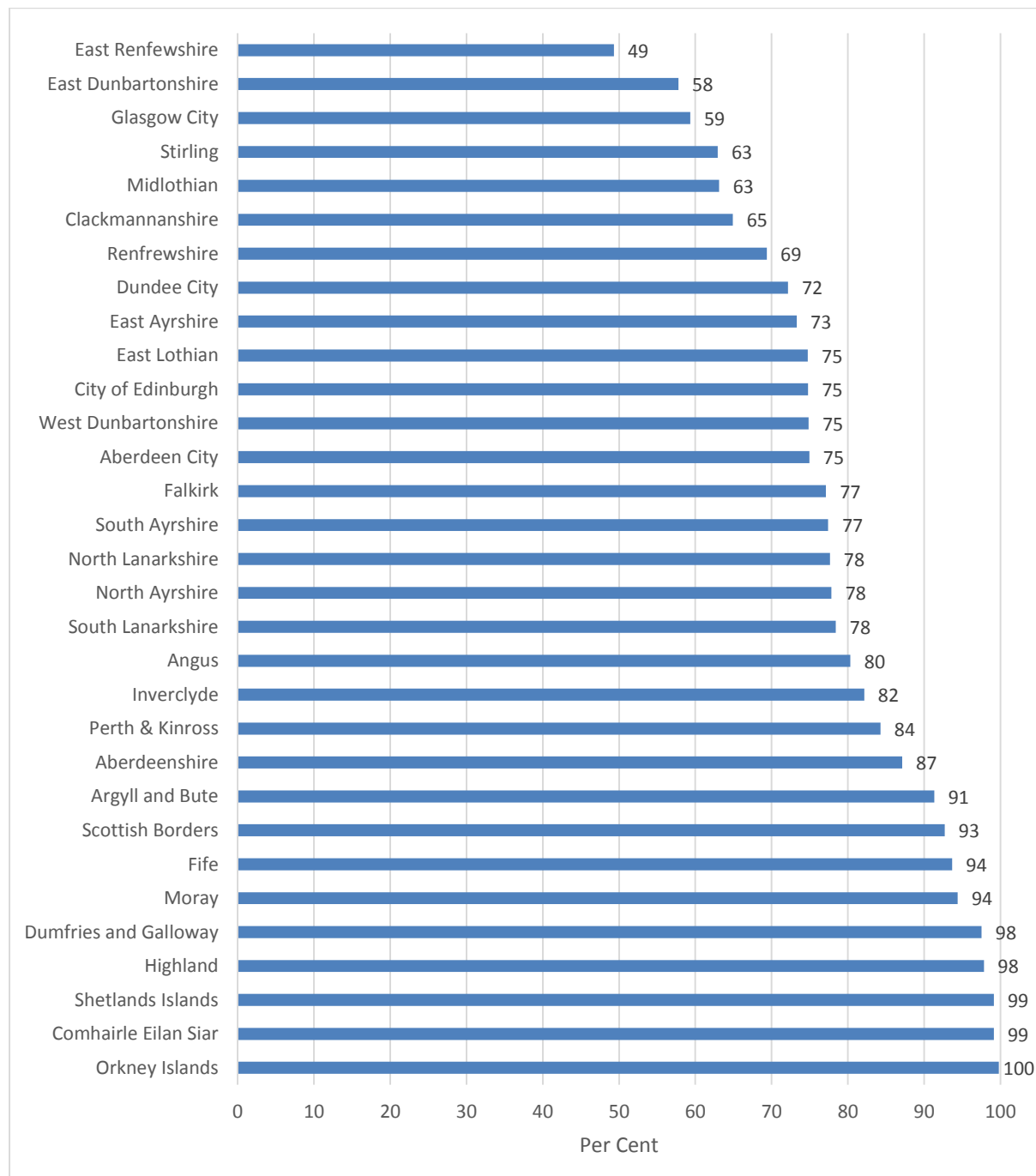
As all Local Outcomes Improvement Plans (LOIPS) will include targeting of the most disadvantaged within their communities, exploring further opportunities for direct employment from within these areas (by the council and other Community Planning Partners), is a potentially significant way to tackle poverty and inequality in a sustainable way.

Another very tangible influence of Councils is through payroll spend, which is closely correlated with the size of the Council and number of employees. For a number of Councils, the level of payroll spend in Scotland's most deprived areas can be very significant - almost £115m in Glasgow City – and this reflects the significant number of people the Council employs from within these areas. The level of payroll spend in the 20% most deprived data zones locally is indicated in Figure 3.5. This demonstrates that, across all councils, the share of spend in the most disadvantaged areas is less than 25%.

Analysis of employment status indicates that part-time working is common across Councils. Employment status also varies widely by Council, as indicated in Figure 3.6. There is not a clear relationship between employment status and those areas where employment and spend in the most deprived areas is high. For instance, both Glasgow City and Inverclyde have high employment and spend in disadvantaged areas, but part time working is relatively low in the former, while relatively high in the latter. Associated with part-time working, salary levels for many staff are relatively low (as indicated In Figure 3.7). It is important to state, however, that part-time working is not necessarily problematic, *per se*. Indeed, the flexibility of local authority employment is also a major benefit to individuals and society, as it allows, for example, employees to balance caring responsibilities. On the other hand, pressures placed upon low paid part-time workers to increase their earnings / hours as a result of Welfare Reform are likely to impact on significant numbers of local government employees. This is an area where joined-up responses would likely be beneficial.

In summary, councils are often major employers in their areas, but, in many cases, the proportion of staff from the most disadvantaged areas is relatively low, and the associated share of salary spend in those areas is also low. Relatively low paid and part-time working is also prevalent in many councils. Tackling poverty in the most disadvantaged areas may be supported by finding new ways for Councils and Community Planning partners to recruit more people from their most disadvantaged areas, albeit as one of a number of measures. To be effective, this would need to be embedded within strategies and action plans across the whole council, and supported by clear objectives with roles and responsibilities attached.

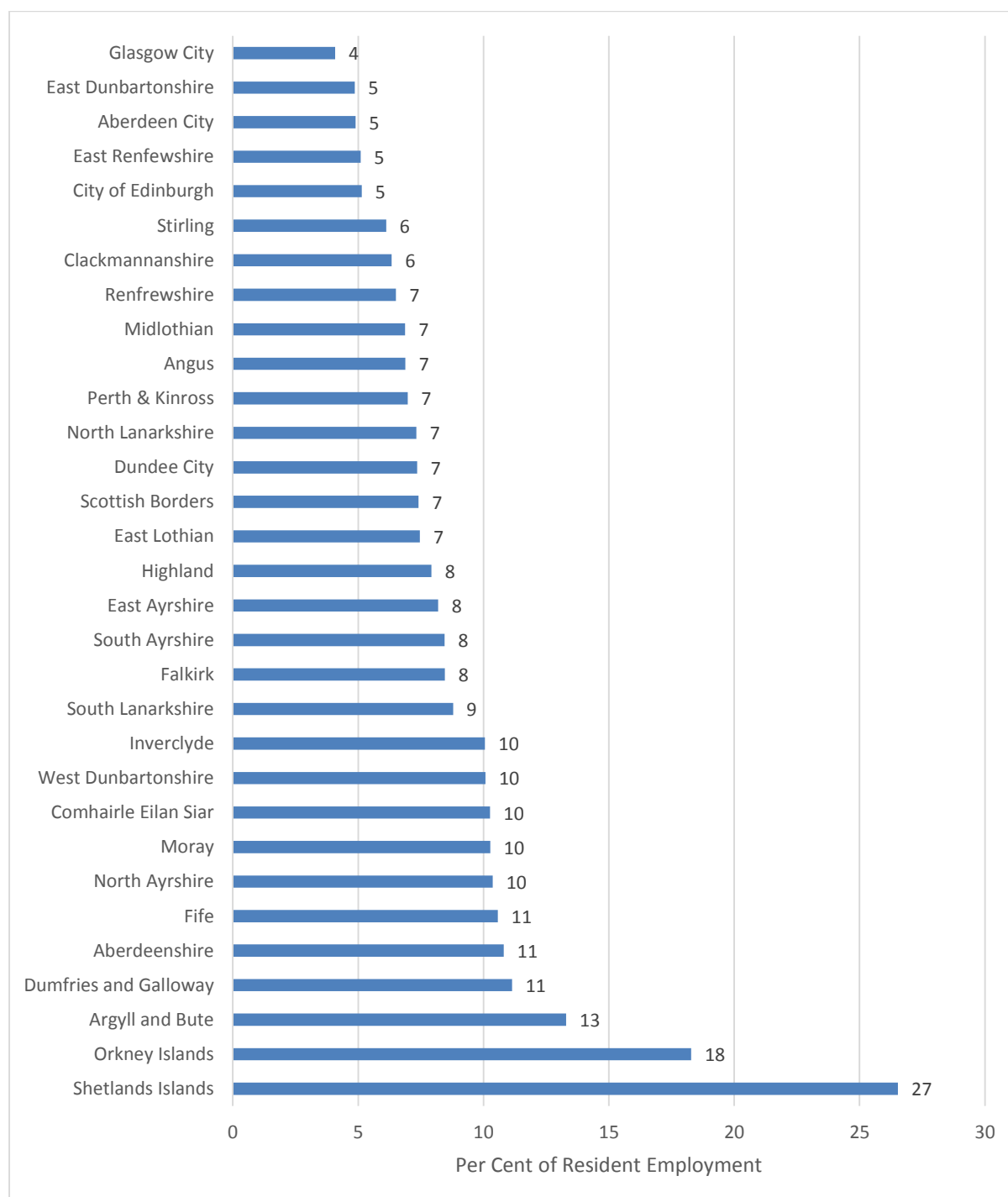
Figure 3.1 Per Cent of Council Employees Resident within Council Area



Source: Council Payroll Data. Note: Omits West Lothian

Figure 3.1 shows that, in most instances, the majority of a council's employees are also residents of that council area. This is most often the case in rural or island areas, where it can be very difficult to recruit outwith the council area due to accessibility issues and commuting distances. The percentage of employees living within the Council area is less significant in more urban areas, where these issues are less prominent. Nonetheless, three-quarters of Edinburgh City and Aberdeen City council employees are resident within those council areas, demonstrating that a number of local contexts play a role in this distribution.

Figure 3.2 Council Resident Employees as Per Cent of Total Resident Employment, 2015



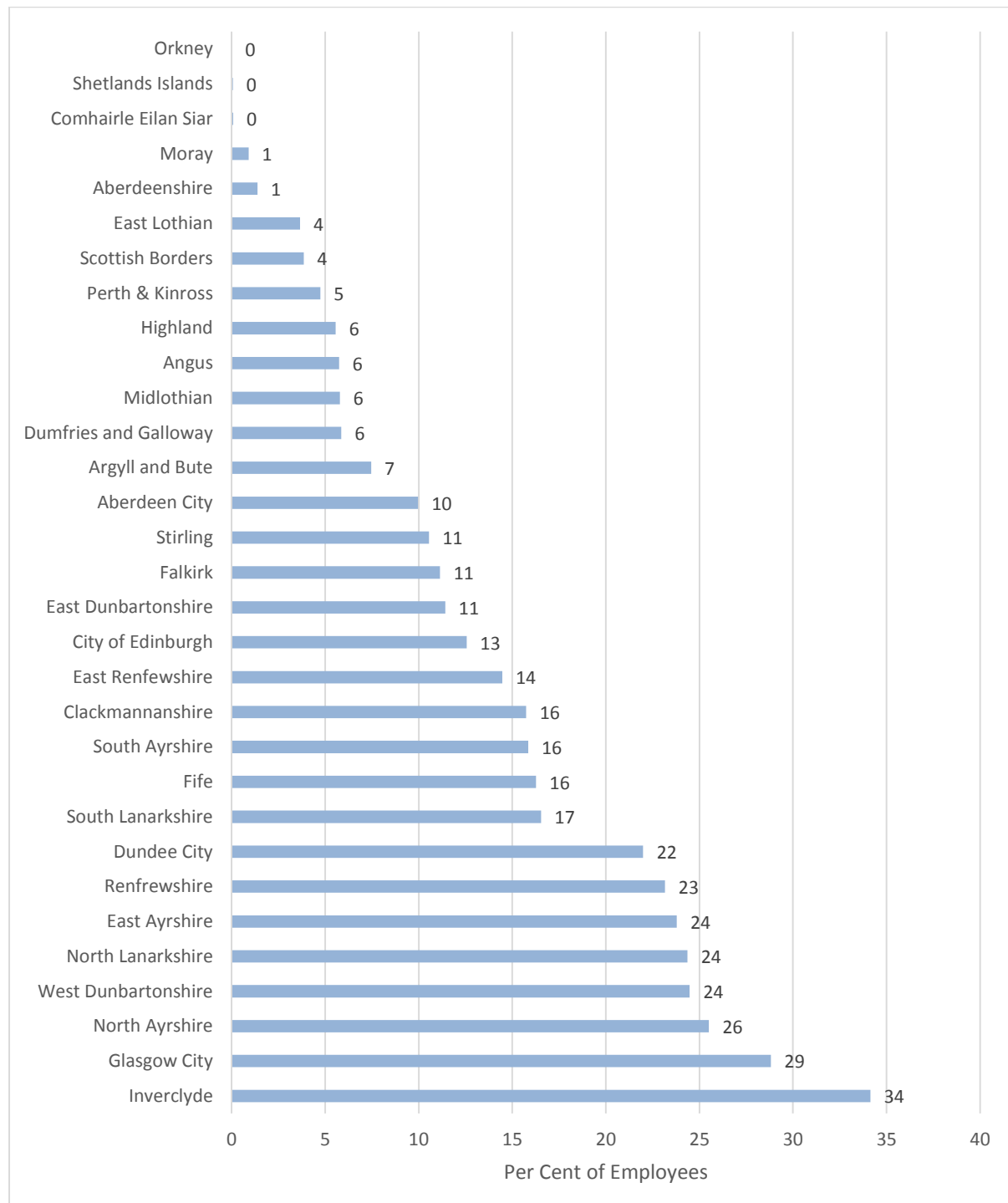
Source: Council Payroll Data. Note: Omits West Lothian, Annual Population Survey.

Figure 3.2 indicates that councils have a large local footprint as employers. As a share of total employment within a council area, over a third of councils employ at least one in ten people. Councils employ a significantly higher proportion of local people in island and rural areas, where the council is often one of the biggest local employers. This also may reflect a smaller private sector jobs market and fewer opportunities to commute within those areas. As a result, there is a higher than average dependence on local authority employment

opportunities in these areas and enhancing the council's economic footprint could particularly improve employment opportunities for the most disadvantaged and disconnected people and areas.

This information is also important for councils in terms of workforce planning and organisational development, as it helps to identify where the workforce comes from. This will enable councils to identify and address any current or potential gaps in the local labour and skills market to ensure that key vacancies can be filled. Again, this can be a challenge for councils in remote areas, where geographical factors can limit labour market accessibility, and these councils could benefit from upskilling local people to take advantage of job opportunities. This will require the Economic Development service to work closely with Human Resources and Employability teams to identify where there are challenges in recruiting for certain roles and develop solutions that are appropriate to the area.

Figure 3.3 Per Cent of Council Employees Resident in 20% Most Deprived Data Zones (Scotland Overall)



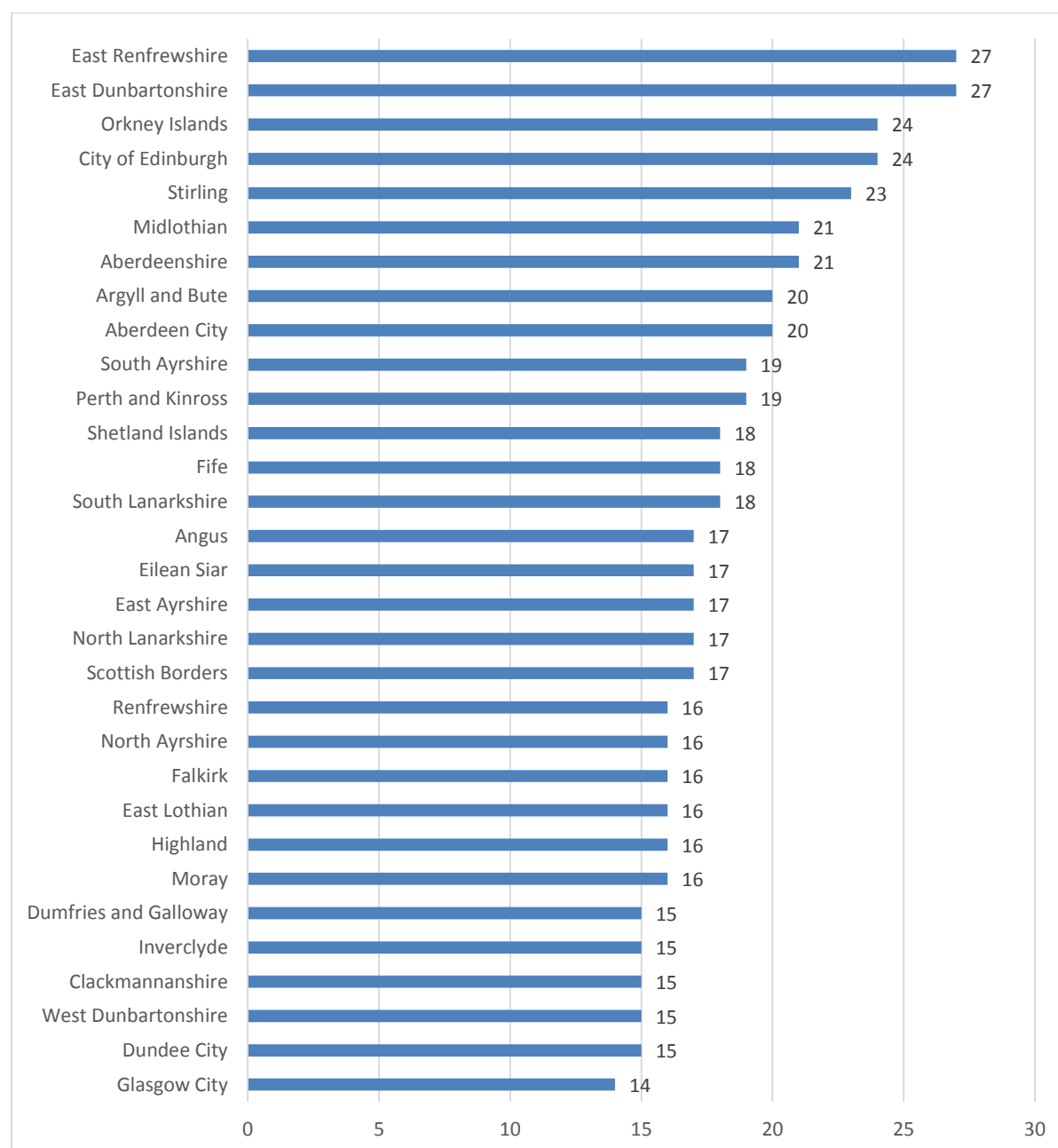
Source: Council Payroll Data. Note: Omits West Lothian, SIMD

Figure 3.3 shows the share of council employees resident in Scotland's overall 20% most disadvantaged data zones and demonstrates a significant variation across councils, ranging from 0% in the island authorities to 34% in Inverclyde. However, this is strongly influenced by some councils having a much larger share of Scotland's 20% most deprived data zones in

their area than others. Figure 3.4 therefore demonstrates the share of council employees resident within each council's own 20% most deprived data zones to allow for a more meaningful comparison across and within areas. For example, at 29%, Glasgow City Council employs the second highest proportion of its workforce from Scotland's 20% most deprived data zones; however, the council has over 40% of these deprived areas and at the local level employs just 14% of its employees from its own 20% most deprived data zones.

This represents an opportunity to enhance the council's local economic footprint through targeting more council employment opportunities at these areas. For the councils in which deprivation is much more challenging than others, targeting employment opportunities is likely to be more difficult, but could also have a much more significant benefit to local economic outcomes than in areas where deprivation is less of an issue. For example, some of the most deprived areas in Scotland are located within the Glasgow City Council area, therefore achieving better employment outcomes for these areas will have a significantly higher benefit in improving a range of outcomes associated with deprivation than in a less deprived area.

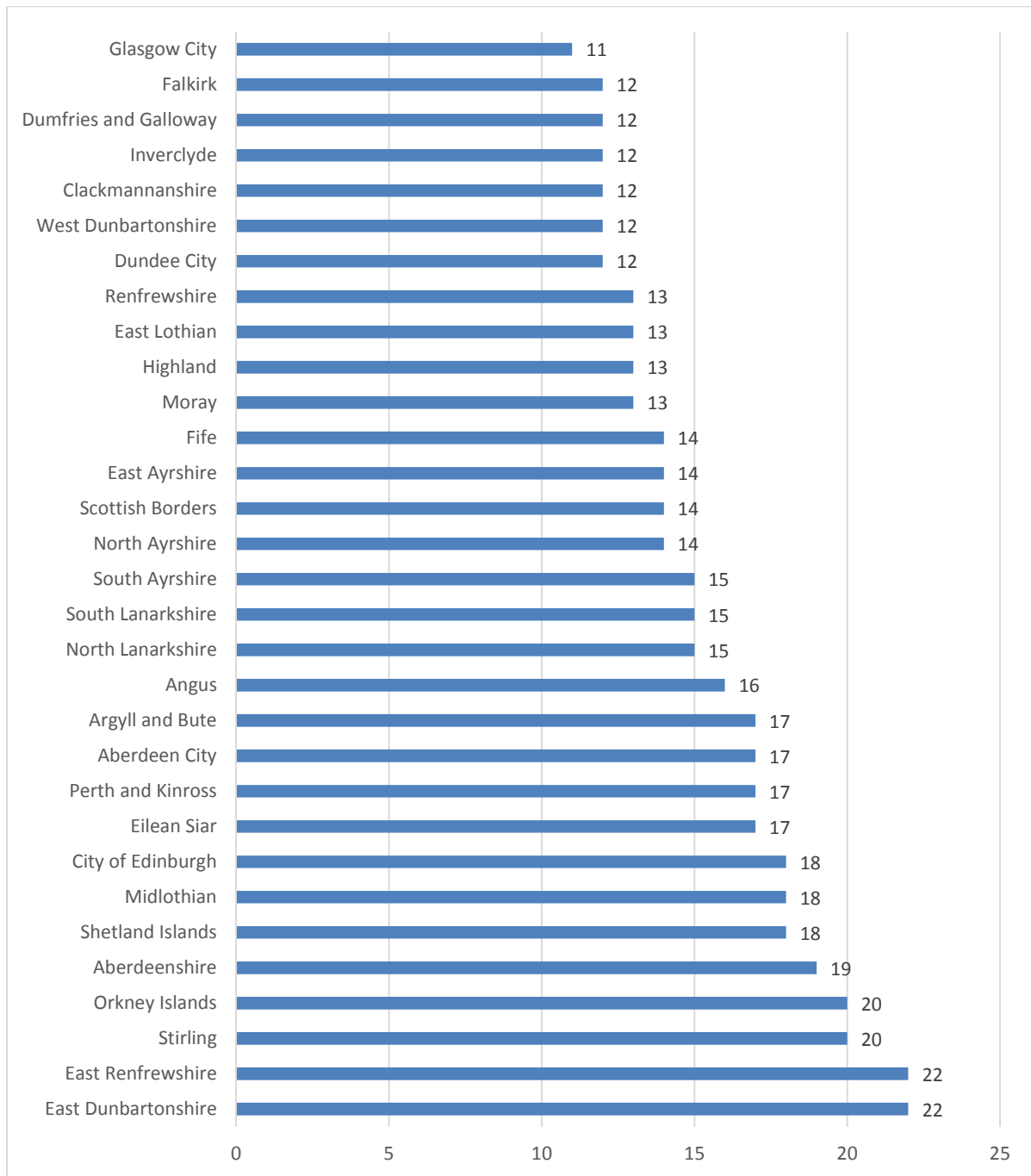
Figure 3.4 Per Cent of Employees Resident in each Local Authority's 20% Most Deprived Data Zones (Local Authorities – not SIMD)



Source: Council Payroll Data. Note: Omits West Lothian, SIMD

The volume of payroll spend, like employee numbers, varies significantly between councils: from £34m in the Western Isles to £489m in Glasgow. This shows the direct wealth effects potential, which will also have knock-on multiplier effects, not just for resident employees but also for local suppliers. Employee numbers and payroll spend are broadly correlated across councils, although there is variation in the ratio of employees to payroll for individual councils, which will be reflective of a number of factors including employment practices, as well as local labour markets, and the nature of service delivery requirements.

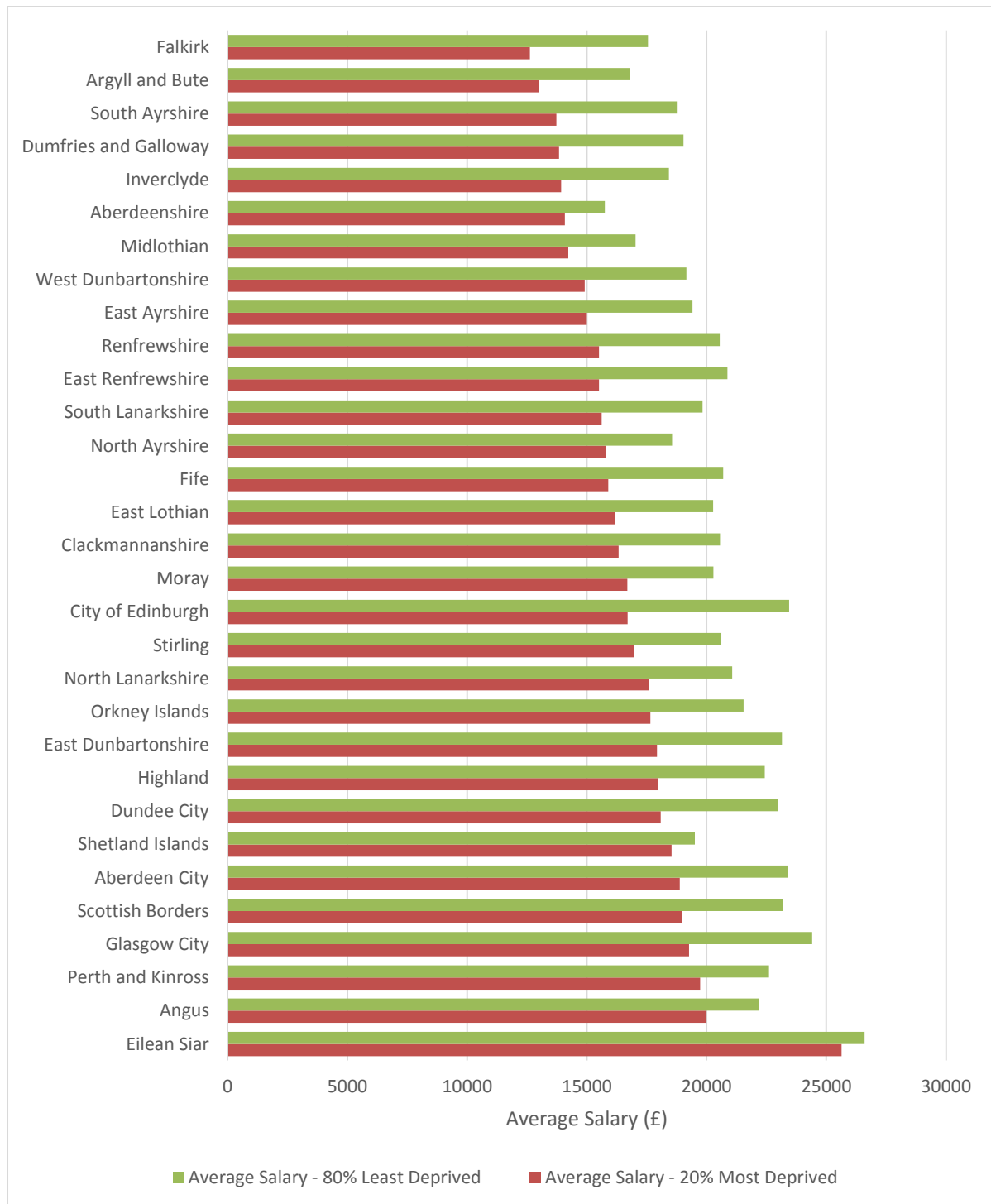
Figure 3.5 Per Cent Council Payroll Spend 20% Most Deprived Local Data Zones, 2015



Source: Council Payroll Data. Note: Omits West Lothian

Figure 3.5 shows the proportion of payroll spend by councils in their own most disadvantaged areas. This is broadly reflective of the number of people employed by the council from these areas locally.

Figure 3.6 Average Salary in 20% Most Deprived vs 80% Least Deprived Areas Locally

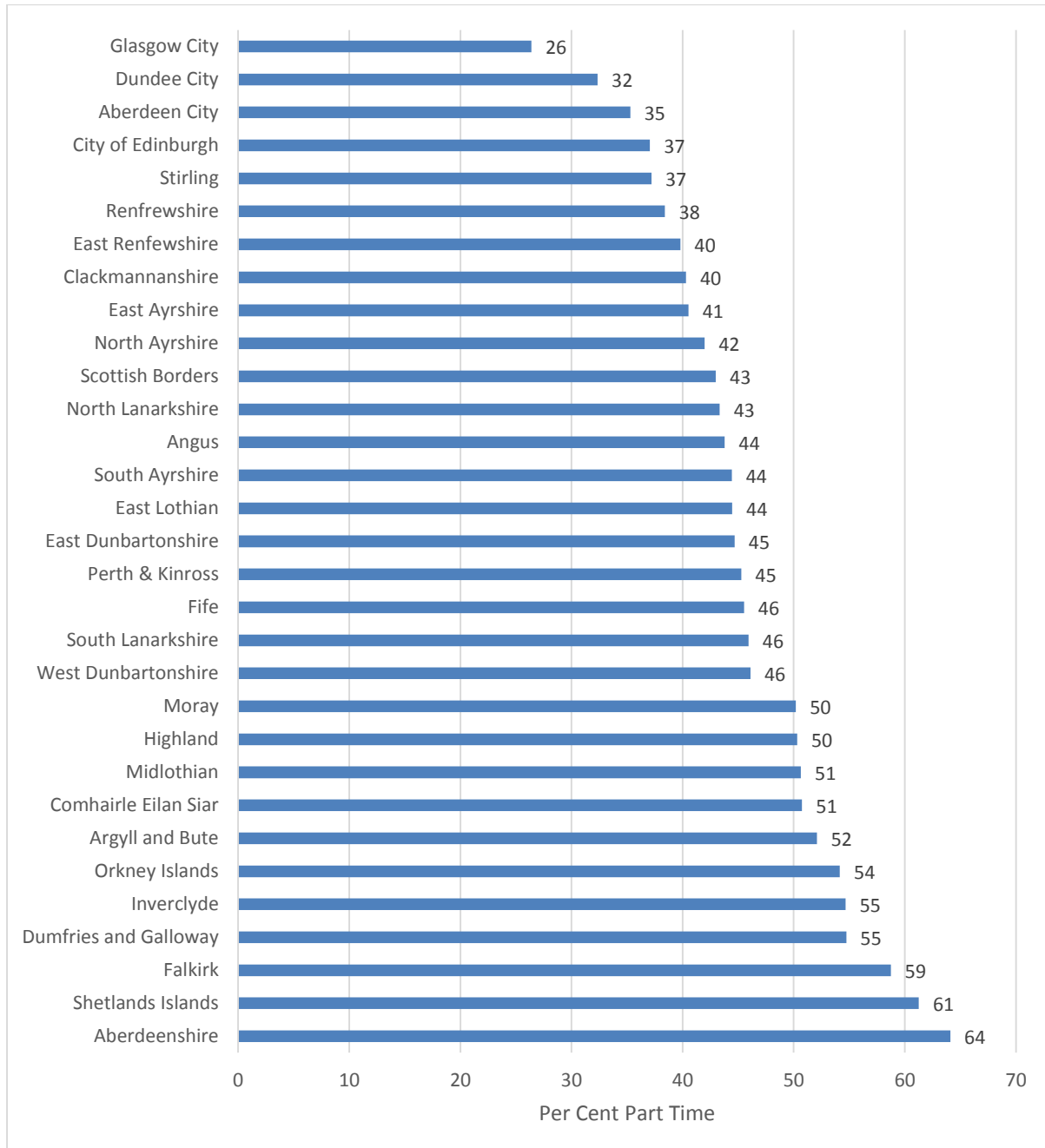


Source: Council Payroll Data. Note: Omits West Lothian

Figure 3.6 shows the average salary of council employees resident in the 20% most deprived areas locally in comparison to the other 80% less deprived areas. This demonstrates that, although Glasgow City Council has a relatively low spend and number of employees from within its most deprived data zones overall, the salaries paid to those it does employ from these areas is relatively high in comparison to other council areas. The figures also

demonstrate the significant disparity in average wages between the most and least deprived areas within certain councils and across Scotland. This difference ranged from an average wage 29% lower in the most deprived areas in City of Edinburgh Council to just 4% lower in Eilean Siar, with a Scottish average of 21% lower.

Figure 3.7 Per Cent of Total Employees with Part Time Status



Source: Council Payroll Data. Note: Omits West Lothian

Figure 3.7 indicates that part time working patterns are very prominent within councils, but there is significant variation between areas. Working patterns are likely to be determined by local labour market conditions and the nature of service delivery requirements. However,

high levels of part-time working for a particular council will have an impact on employment numbers and salary spend figures.

Part-time working can also range from a few hours per week up to, and in excess of, 0.9 FTE. It is important to note that high levels of part-time employment can often be viewed negatively, but this can be the preferred employment pattern of individuals within an area as a result of how that local economy works, individual family responsibilities, etc. Councils are often seen as a good local employer due to the availability of flexible working patterns that suit a range of individuals' circumstances.

Figure 3.8 Mean Salary of Part Time Employees

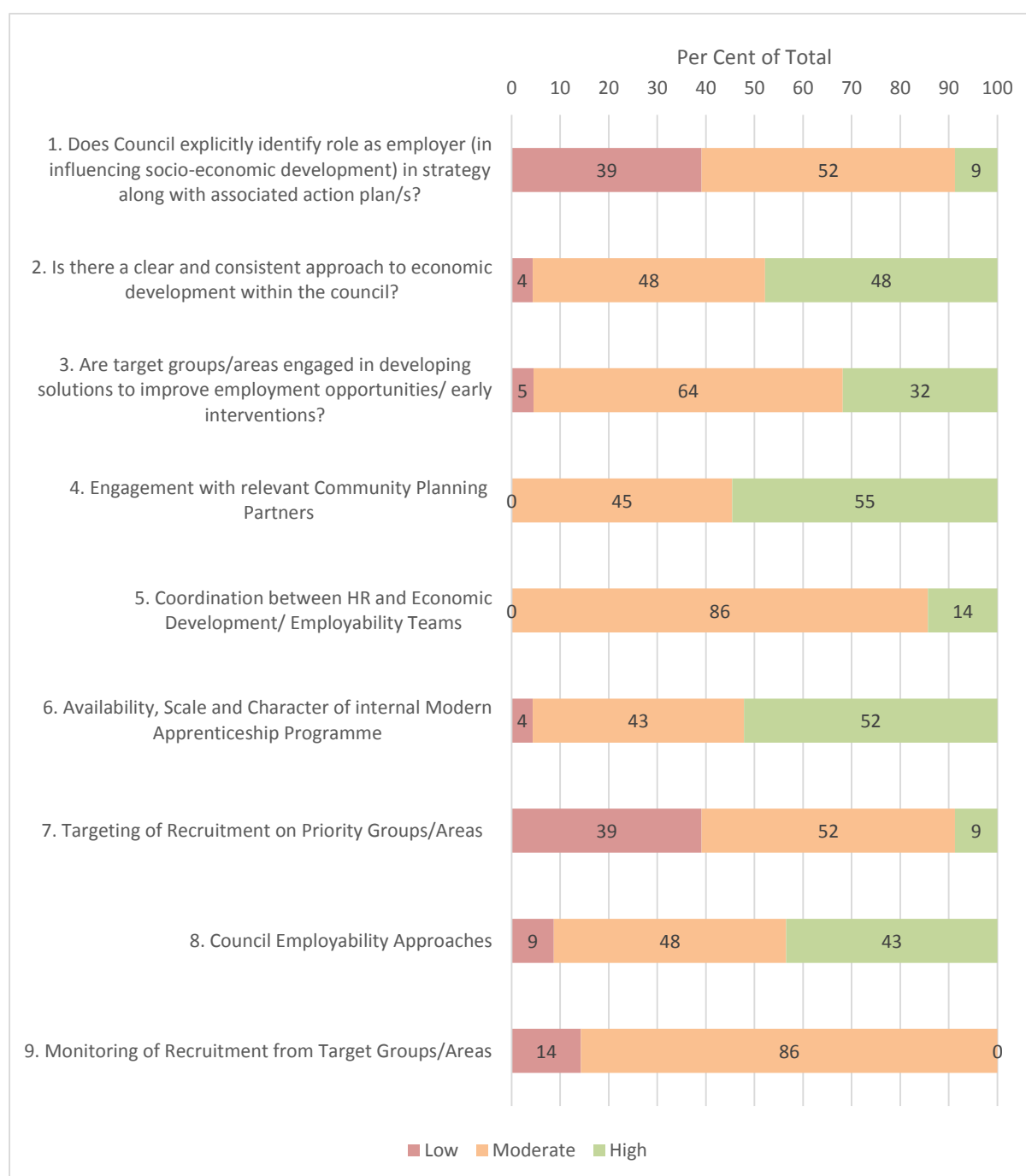


Source: Council Payroll Data. Note: Omits West Lothian

Figure 3.8 contextualises part-time working patterns and shows the average salary of part time employees by council, ranging from just over £5k in Argyll & Bute to almost £26k in the Western Isles, and with an average of £12.2k across all councils. For those councils with 50% or more of employees with part-time status, the average salary is £11.8K. However, as noted above, part-time working includes a range of hours which will impact on salary amounts.

Figure 3.9 summarises the ratings indicated within individual Economic Footprint reports for several key dimensions of practice for council employment. The assessments indicate a range of practice but with significant scope, in the majority of cases, to further enhance current approaches in relation to the council role as an employer.

Figure 3.9 Dimensions of Practice for Council Employment, Summary of Ratings



Source: Economic Footprint Reports. Note: Dimensions 1-2 and 6-8 based on 23 councils, dimensions 3-4 based on 22 councils and 5&9 based on 21 councils.

3.3 LOCAL PROCUREMENT BY COUNCILS⁷

In addition to the direct employment benefits contributed by Councils to their local area, Councils also spend a substantial part of their procurement budget within their localities: averaging £60m per Council in 2017 and ranging from £9m in Clackmannanshire to £242m in Glasgow City. As would be expected, this demonstrates that procurement spend is broadly reflective of the size of the council.

The proportion of local spend as share of total procurement spend, varies significantly by Council: ranging from 12% in West Dunbartonshire, to 46% in the Shetland Isles, and with an average share of 27% across the 32 councils. In 2016/17, councils procured goods and services to a total value of some £7bn, of which almost £2bn was local spend. The share of Council procurement spend within local authority boundaries is indicated in Figure 3.10.

On average, across all Councils, the share of local spend has decreased by 3% in the ten-year period, from 30% in 2008 to 27% in 2017⁸. However, this again varies widely by Council, as indicated in Figure 3.11: ranging from +14% in East Renfrewshire to -19% in Highland Council. It is noted that the local share of spend can vary significantly in any individual year.

While the share of local spend has decreased slightly overall, this spend has been with a significantly reducing number of local suppliers. The number of local suppliers has fallen by 42% in the period 2008-17, from 51,312 to 29,910 and some 24 Councils reported a reduction in the number of local suppliers (see Figure 3.13).

Despite the reduction in number of local suppliers, likely representing changes in contracting approaches and aggregation in the local supply base, the level of local spend with small businesses remains significant. However, there is also significant variation in spend with small local businesses between councils, as shown in Figure 3.15. Again, this may be, at least partly, attributable to the nature of the local business base in each area.

In terms of spend categories, over a third of local spend is on Social Care & Services (35%), followed by Construction (24%) (see Figure 3.16).

A key challenge for councils in relation to procurement is in ensuring that the impact of any spend, whether local or outwith the area, is maximised in terms of benefits to the local community or economy. This can be achieved by including Community Benefit Clauses (CBCs) in procurement contracts wherever possible – and not just in instances of major contracts over £4m, where there is a requirement to include CBCs. Examples of CBCs include targeted

⁷ The procurement analysis draws on data submitted by individual Councils to the Scottish Procurement Information Hub, hosted by Spikes Cavell.

⁸ A number of councils have raised the issue of local spend being underrepresented in SPIH due to a company's headquarters being in a different council area. It is noted that this is a limitation in the currently available data source.

recruitment and training, small business and social enterprise development and community projects.

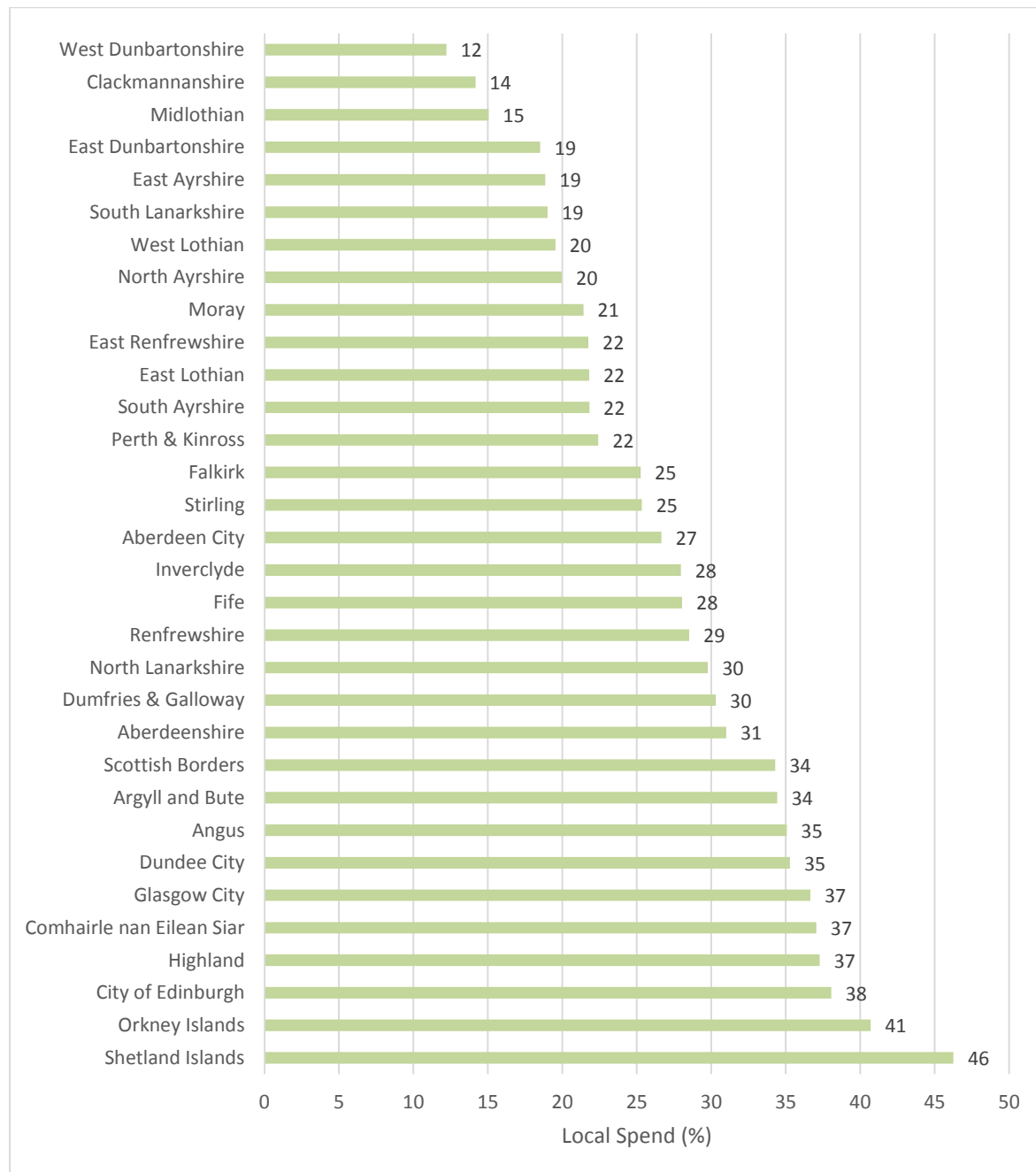
Analysis carried out by [Glasgow University's Training & Employment Research Unit](#)⁹ for the Scottish Government in 2015 indicated that implementation of CBCs had been fairly limited. CBCs mostly applied to construction contracts and were far rarer across other major spend areas. Whilst most of the public bodies included in the TERU research had formal CBC policies, actual implementation and enforcement of CBCs was generally found to be weak.

A report presented to the [Scotland Excel Joint Committee](#) in June 2018 summarised the value of a range of Community Benefits and fair work practices attributable to Scotland Excel Framework contracts. This highlighted a progressive increase in the value of such benefits over a five year period. Data for the most recent full year available indicates that benefits of a value of £311,000 were secured in 2017/18 across the 32 councils. (*See Appendix for extracts from Scotland Excel report*). This averages around £10,000 per council. This data applies only to certain Framework contracts and certainly does not cover all CBCs secured by local authorities. There may also be elements of under-reporting, as CBC monitoring systems develop. Nevertheless, and, again, despite a number of data limitations, the overall information on CBCs suggests that significantly more could be done to capitalise on the potential of such mechanisms. A number of councils have begun to develop 'pick lists' of potential community benefits for contractors to consider. Another approach may be to consider even more strategic and collaborative approaches to defining the types of community benefits that councils would welcome. For example, all councils prioritise tackling poverty to a greater or lesser extent. Specifying specific anti-poverty benefits that would be welcomed in a major contract could be an approach worth exploring.

The introduction of the Procurement Reform (Scotland) 2014 Act has helped to make consideration of CBCs - and similar approaches - a more mainstream process and has provided the legislative basis on which councils – and other public bodies – are encouraged to secure added value from procurement. The first annual reports by public bodies on added value secured under the 2014 Act are in the process of being submitted to the Scottish Government. It is hoped that good practice examples can be gleaned from these reports and disseminated widely to encourage further creative application of CBCs and similar beneficial mechanisms. In order for such approaches to be effective, this will require closer collaboration between councils' Economic Development and Procurement teams to identify the most effective means of application. Discussions with councils and other stakeholders indicated that significant progress has been made in this area in recent years, though this is not universally the case. Accordingly, procurement is a key economic lever which can deliver increased value to local economies.

⁹ <https://www.gov.scot/Publications/2015/06/6812/0>

Figure 3.10 Local Procurement Spend as Per cent of Total Procurement Spend by each Council, 2017



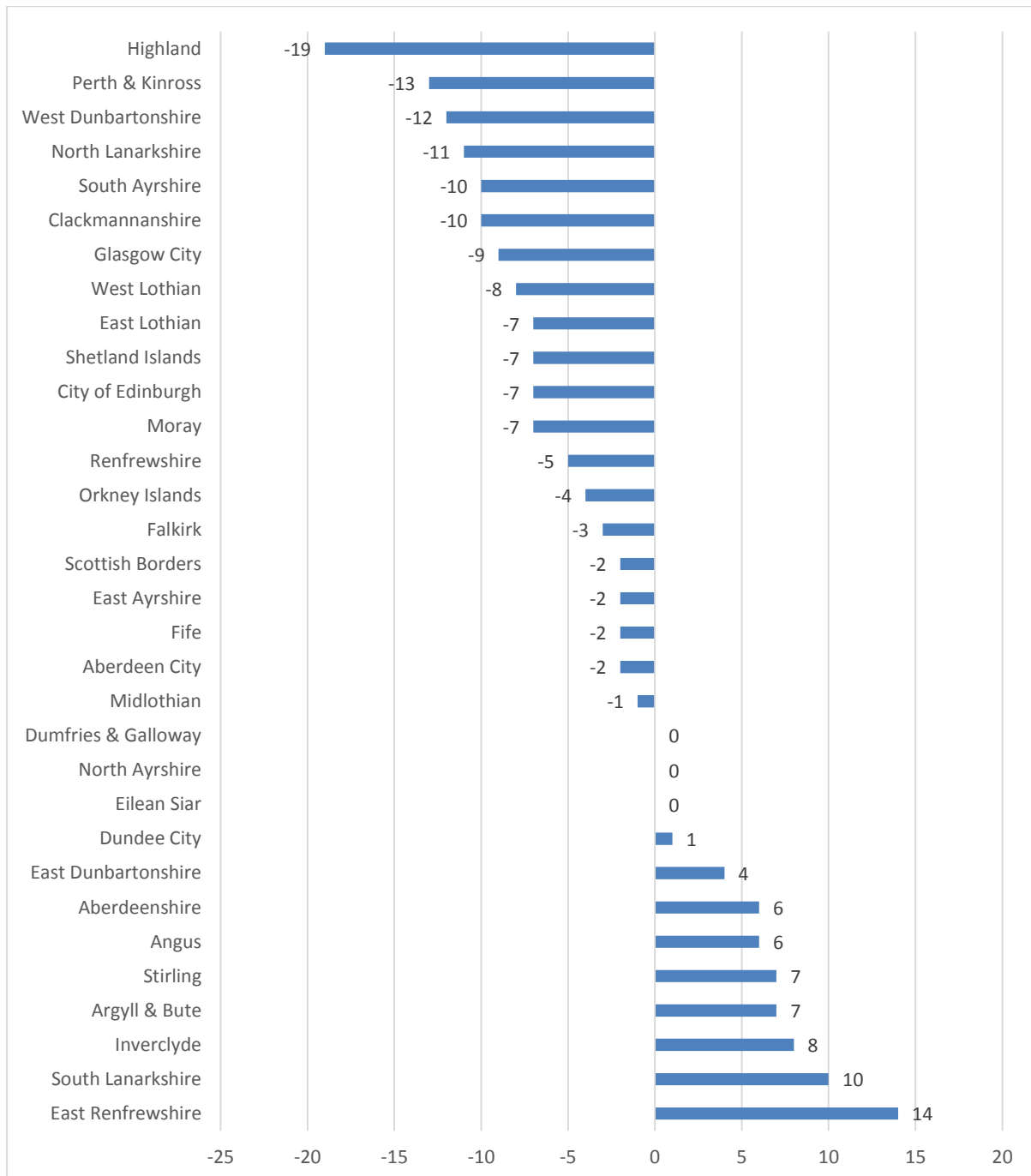
Source: Scottish Procurement Information Hub

Figure 3.10 highlights that procurement spend as a share of total procurement varies significantly by council area. This will be influenced by a number of factors including the accessibility of the area, and the availability of suitable local suppliers. However, the figures suggest there are areas for further exploration, such as what factors lead to potentially significant differences in share of local procurement spend between councils that have broadly similar characteristics. Based on council feedback, it is often the case that there are insufficient local suppliers to fully meet the needs of councils in smaller areas. Nonetheless,

the findings suggest there is scope for many councils to increase their share of local procurement, while also having due regard to best value. Procurement bodies such as Scotland Excel and Supplier Development Programme are keen to work with councils to identify potentially under-utilised local suppliers.

There has been a small decrease in the share of local spend over the last decade, from 30% in 2008 to 27% in 2017 for councils overall. In order to tackle poverty in the most disadvantaged areas, it may be anticipated that Councils and Community Planning partners would seek to reverse this trend somewhat and procure more from their local areas, including from suppliers who recruit employees from their most disadvantaged areas. Councils do, of course, also require to pay due regard to value for money considerations in their procurement, as well as such added value, local benefits. A number of councils have achieved increased local spend over the ten-year period, as shown in Figure 3.11 below. It may be beneficial to undertake further work with these councils to better understand the approaches taken that has led to increased local spend - and to consider whether there are lessons that ought to be disseminated more widely.

Figure 3.11 Per Cent Change in Local Spend, 2008-17



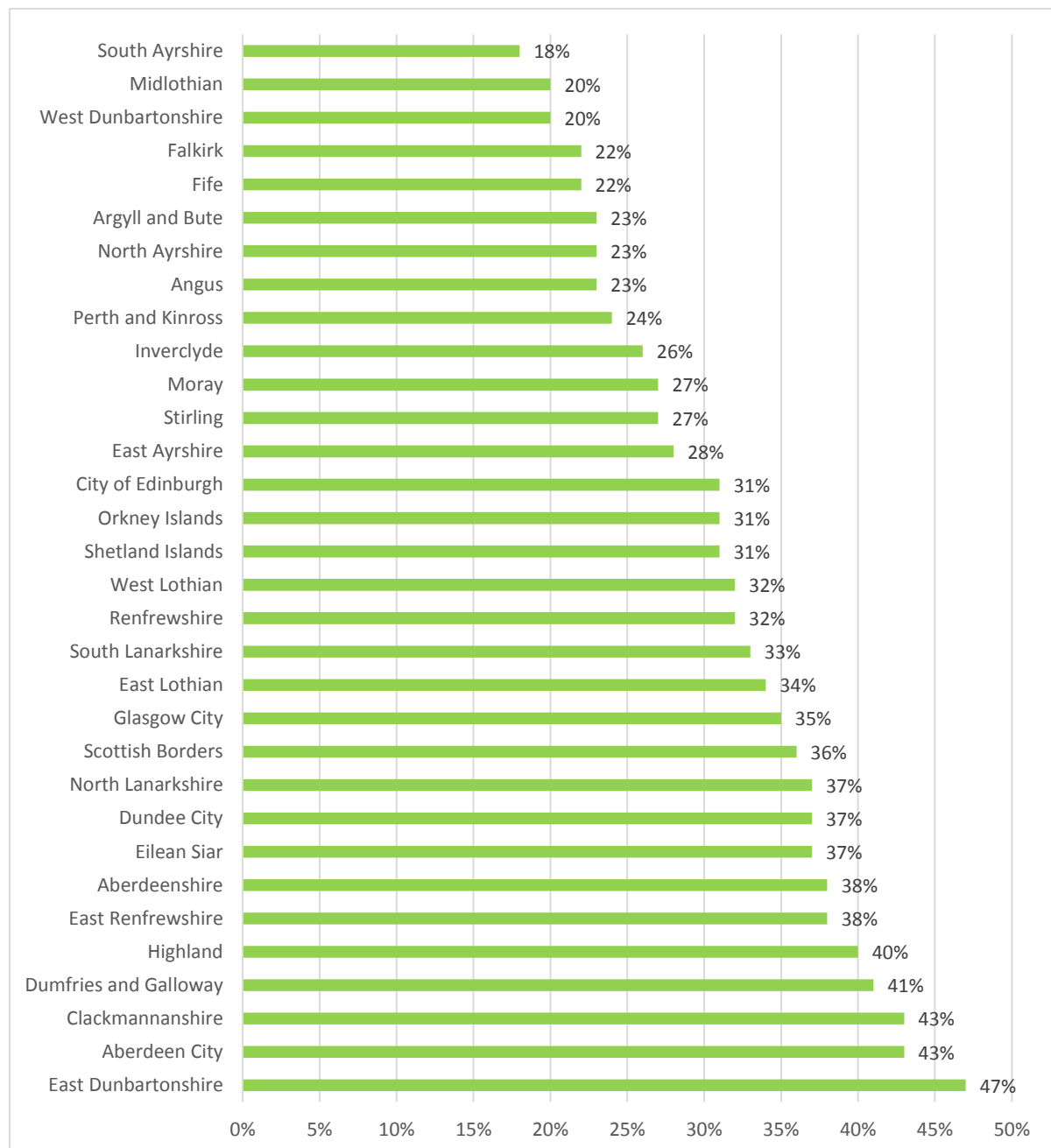
Source: Scottish Procurement Information Hub

Figure 3.11 shows that the share of local procurement spend has decreased in the majority of council areas, with this being significantly pronounced in some more than others. For example, six councils have experienced a 10% or greater reduction in the local share of procurement and further exploration of the causes of this should be considered. However, in nine areas, the share of local procurement spend has increased to varying extents. It is important to note that reductions in local spend can be due to a number of factors such as the availability of skills locally and value for money. In addition, the level of local spend may

be under-represented in some cases, due to the available data currently being unable to identify instances where a company may have headquarters in one area but local employment units in another, or where sub-contracting has occurred.

The share of local spend can also be somewhat volatile and this is likely due to changing service requirements from year to year, and the relative competitive nature of the supplier market. However, it does also indicate the challenges councils face in maintaining continuity and sustainability when working with the local supply base.

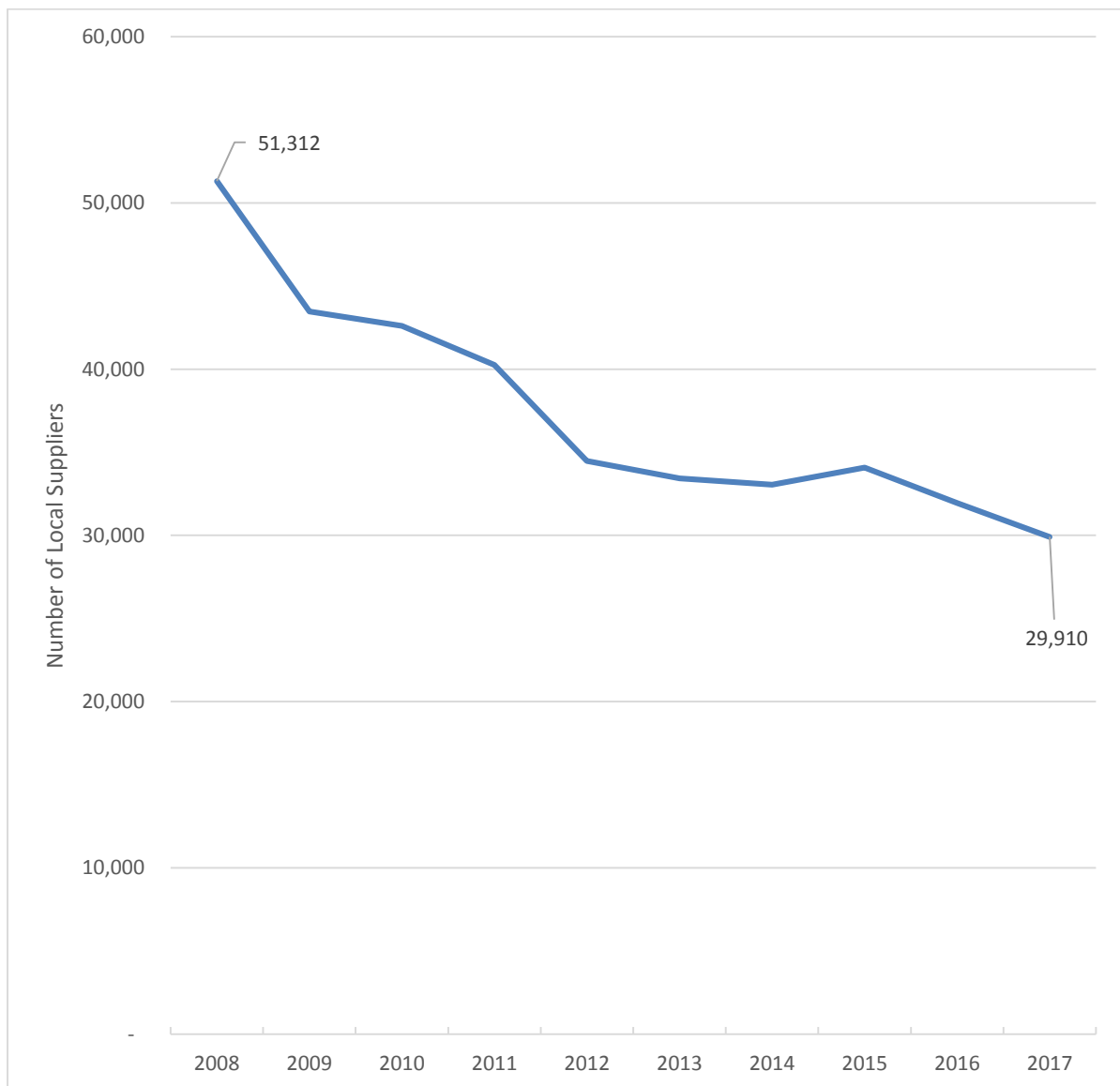
Figure 3.12 Share of Procurement Spend Outside of Scotland, 2016/17



Source: Scottish Procurement Information Hub

Figure 3.12 illustrates the share of procurement spend outside of Scotland. On average, around a third of council spend is outside of Scotland. As previously noted, caution is required with regard to this due to the limitations of existing data availability in terms of business location details and sub-contracting. In terms of additional economic impact, the potential to reduce leakage of any actual spend outwith Scotland is of relevance to the Scottish economy. Moreover, from the local perspective, the share of non-local or non-Scottish spend demonstrates substantial scope for councils to re-orient a degree of spend in order to foster local inclusive growth objectives. That may also include opportunities for regional procurement collaboration, which could have a range of direct benefits for local residents, due to travel to work patterns, for instance.

Figure 3.13 Number of Local Suppliers, All Councils, 2008-17



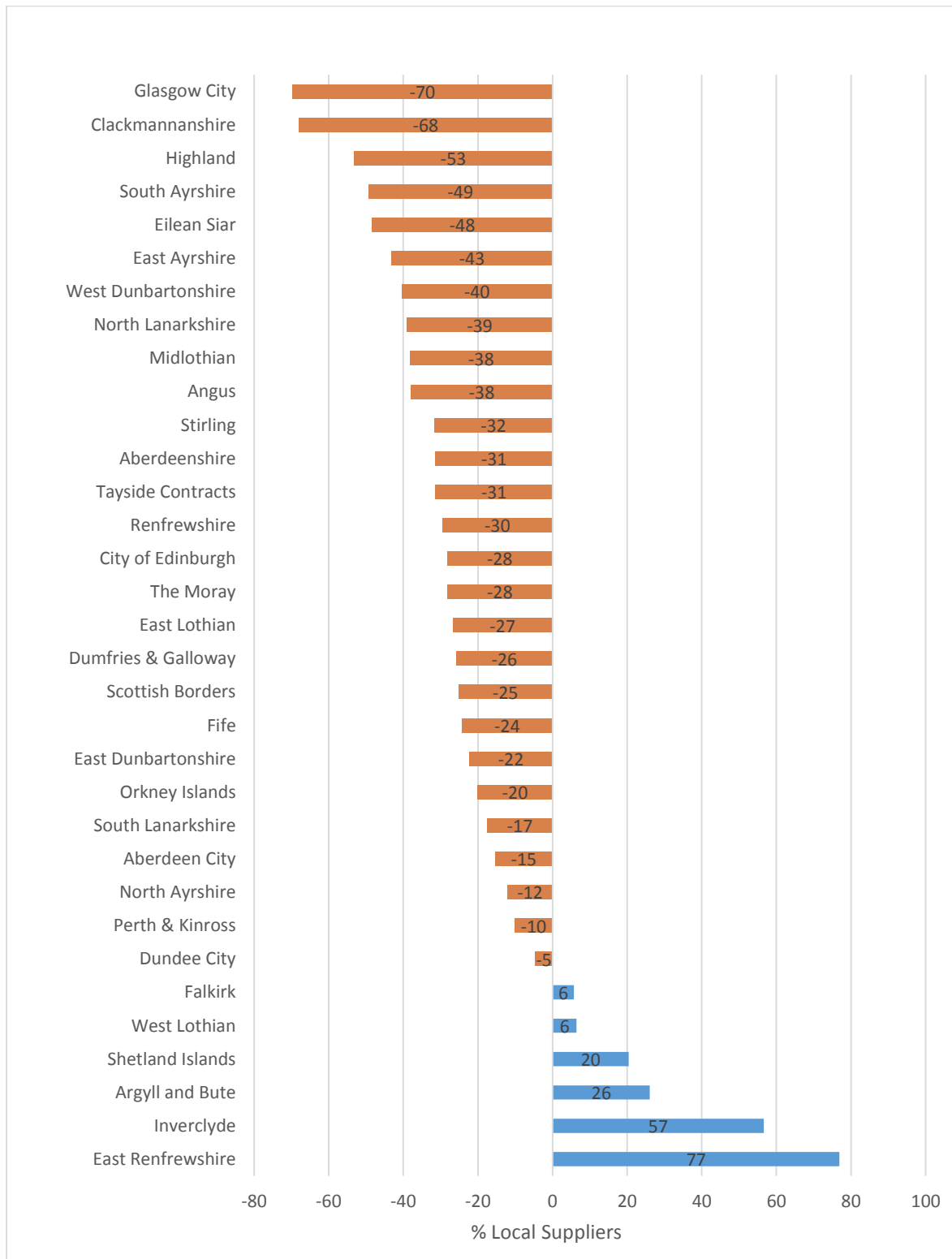
Source: Scottish Procurement Information Hub

Figure 3.13 charts a very notable reduction in the total number of local suppliers (while, as noted, the actual value of local spend has only declined a little).

This may reflect contracting changes or aggregation¹⁰ in the supply base, in which case, the local wealth retention impacts may be minimal. However, it may also signify withdrawal from the market by some suppliers. The latter may have greater consequences for local areas if it means fewer businesses that are able to compete locally and outside the area. It is also noted that the published data does not provide information on sub-contracting, so the data consequently may under-estimate local supplier impact. Likewise, the development of national frameworks and portals bring a range of benefits but may potentially also have some unintended consequences for some local suppliers.

¹⁰ By 'aggregation' we mean using fewer suppliers to provide a smaller number of larger value contracts. The potential advantages include savings through the supplier achieving greater economies of scale, and a lower administrative burden for the buyer. Disadvantages may include reduced competition amongst suppliers (who then don't pass on savings) and favouring larger players over SMEs. Larger contracts broken up into lots offer a compromise approach and this is an approach that is increasingly being developed.

Figure 3.14 Per Cent Change in Number of Local Suppliers, 2008-17

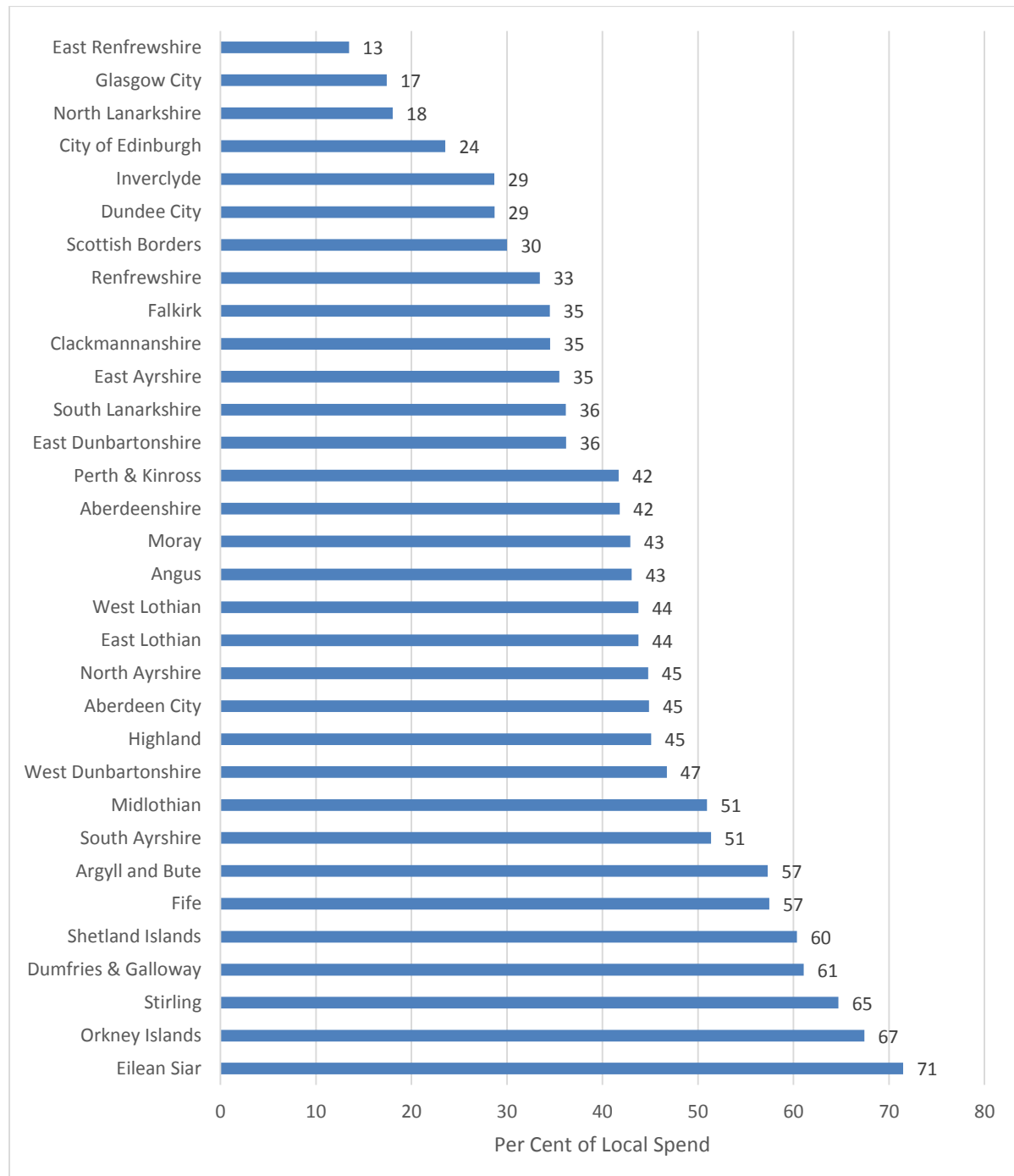


Source: Scottish Procurement Information Hub

Figure 3.14 illustrates the per cent change in the number of local suppliers over the last decade, further indicating the wide differences in circumstances between councils. This shows that whilst the change in number of suppliers is not uniform, the trend for a reducing

number of suppliers is common to the majority of councils. It is notable that some eight councils have bucked this trend, with an increased local supply base. Indeed, four councils have increased supplier numbers while also experiencing a reducing share of local procurement by value.

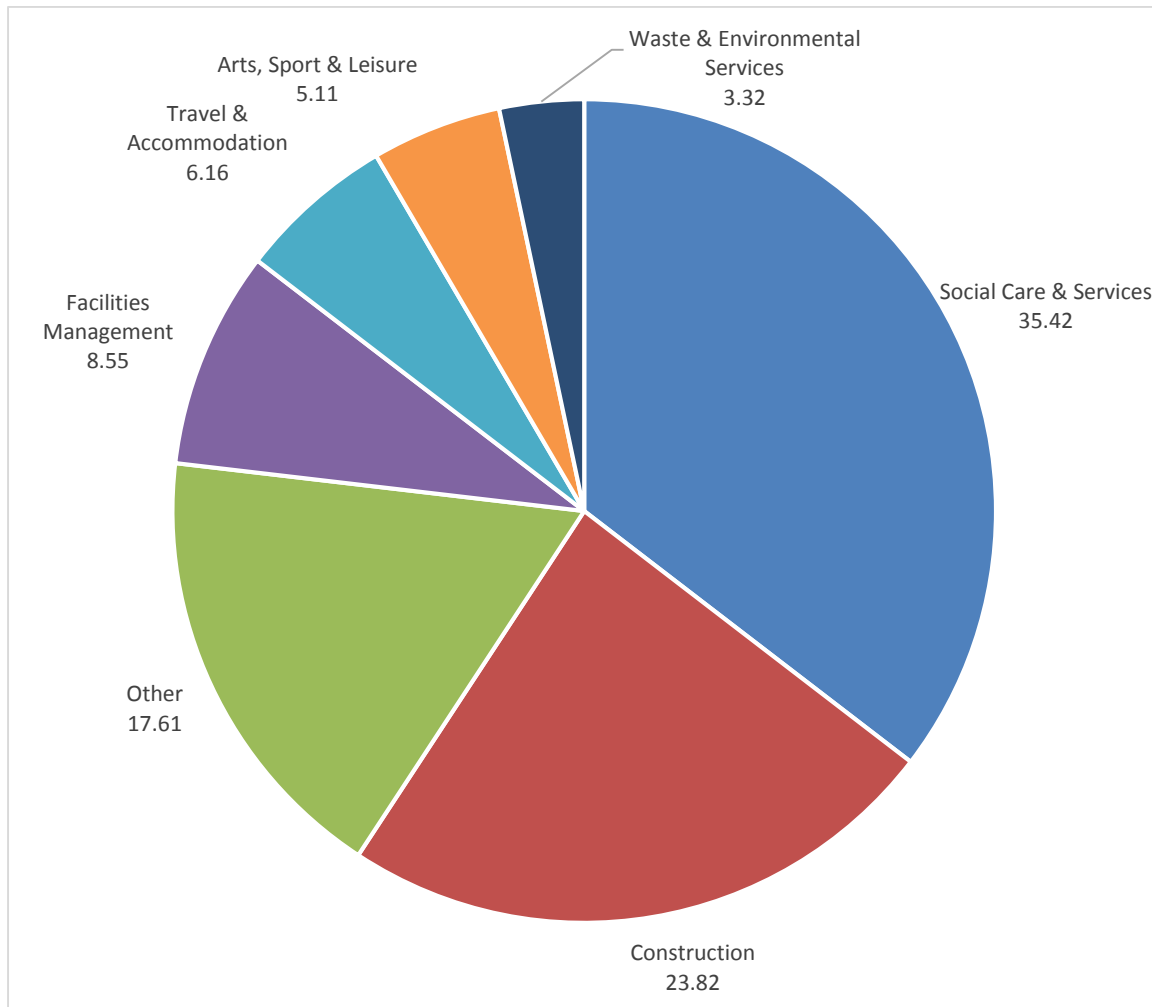
Figure 3.15 Local Spend with Small Companies by Percentage, 2016/2017¹¹



¹¹ Small businesses are defined as: Less than 50 employees, regardless of revenue, or, if the number of employees is unknown, then revenue of less than £5.6m will be taken as an indicator that it is a small business.

Figure 3.15 demonstrates that spend with small businesses, as a share of all local spend, varies widely by council. It demonstrates that often remote and rural councils are more dependent on local suppliers, which is likely due to geographical challenges in contracting with companies from further away. It also highlights the likelihood of significant opportunities to further promote greater small company engagement through measures such as promoting supply chain opportunities, increasing local spend, using employability budgets to forge closer links between schools and local business, and streamlining regulation.

Figure 3.16 Local Supplier Spend by Business Sector, All Scottish Councils, 2016/17



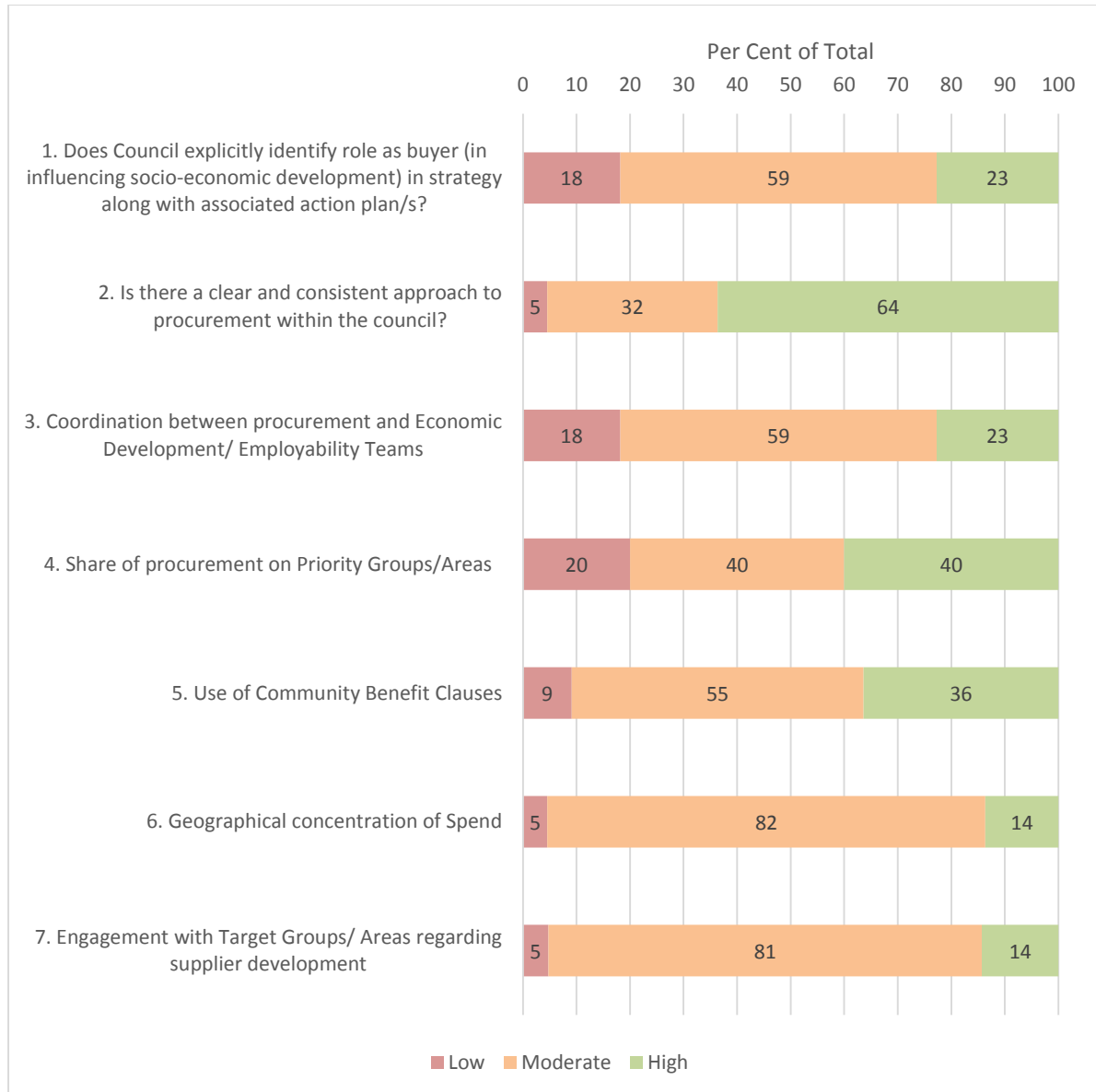
Source: Scottish Procurement Information Hub

Figure 3.16 illustrates the dominance of certain areas of service delivery for local supplier spend. This highlights the particular challenge councils are facing around Social Care and Services, where the already significant proportion of spend is likely to increase in the coming years. This suggests an opportunity for councils to develop innovative procurement practices, such as including Community Benefit Clauses in care sector contracts, which seek to maximise the significant local spend in this sector and ensure that the benefits to the local economy and communities are maximised wherever possible. Other areas of high spend across councils include Construction and Facilities Management. However, the prominence of the

‘other’ category denotes wide variation in the make-up of sector spend by council and reflecting the diverse role and remit of local authorities.

Figure 3.17 further summarises the ratings provided within each individual Economic Footprint report for several key dimensions of practice for procurement. The assessments indicate a range of practice, but with significant scope, in the majority of cases, to further enhance current approaches.

Figure 3.17 Dimensions of Practice for Procurement, Summary of Ratings



Source: Economic Footprint Reports. Note: Dimensions 1-3 and 5-6 based on 22 councils, dimension 7 based on 21 councils and dimension 4 based on 15 councils.

3.4 COUNCIL ASSET MANAGEMENT

The assets managed by a council represent a third major lever for local economic development. Assets are defined as ‘anything owned by an organisation that has a monetary value’ and the fixed assets of local authorities include property assets (buildings and the land they occupy), vacant land, infrastructure assets (such as roads and bridges), vehicles, plant and machinery and information technology hardware.

Expenditure on fixed assets is a significant cost to a local authority and is, therefore, an important area to consider as part of the Council’s Economic Footprint. As with other spend areas, the duty to ensure good value for money is underpinned by the Prudential Code and the Best Value arrangements required by the Local Government (Scotland) Act 2003.

As indicated in Figure 3.18, the number of assets held by local government is substantial. Totalling 40,114 assets across Scotland, averaging 1,294 assets per council, and ranging from 248 assets in Clackmannanshire to 6,548 in Highland Council. The type of assets held varies widely: but with some 2,285 community facilities, 1,895 commercial assets, and 1,816 sports and leisure facilities highlighting, amongst other things, the potential scope for community asset transfer, as discussed further below (see Figure 3.19).

Strategic management of these assets can yield efficiencies and directly or indirectly improve the delivery of services and wider economic outcomes. As an asset manager, a council can leverage this role to promote inclusive growth, with a council-wide approach that identifies the role of the asset portfolio in influencing socio-economic development in conjunction with associated action plans, clearly and consistently across the council. This can particularly focus upon geographical concentrations of assets related to service accessibility to target groups and also with regard to strategic development opportunities.

It is also noted that some councils had asset portfolios that were highly concentrated in a small number of population centres. Others had asset portfolios that appeared to be much more de-centralised- so there appears to be a lot of variation. Locating and integrating service delivery from assets that are geographically close to, or accessible by, the most disadvantaged areas, would generally be seen as practice to aspire to. Conversely fragmented service delivery from multiple physical assets that are not close to or accessible to the most disadvantaged areas by public transport would generally be seen as a negative. Joseph Rowntree Foundation recently issued research on the issue of disproportionately poor transport connections for disadvantaged areas in Scotland¹²

A key focus includes evolving the council asset portfolio to ensure it is accessible for disadvantaged populations, either via physical location and/or via transport links. This can

¹² (<https://www.jrf.org.uk/report/tackling-transport-related-barriers-employment-low-income-neighbourhoods>).

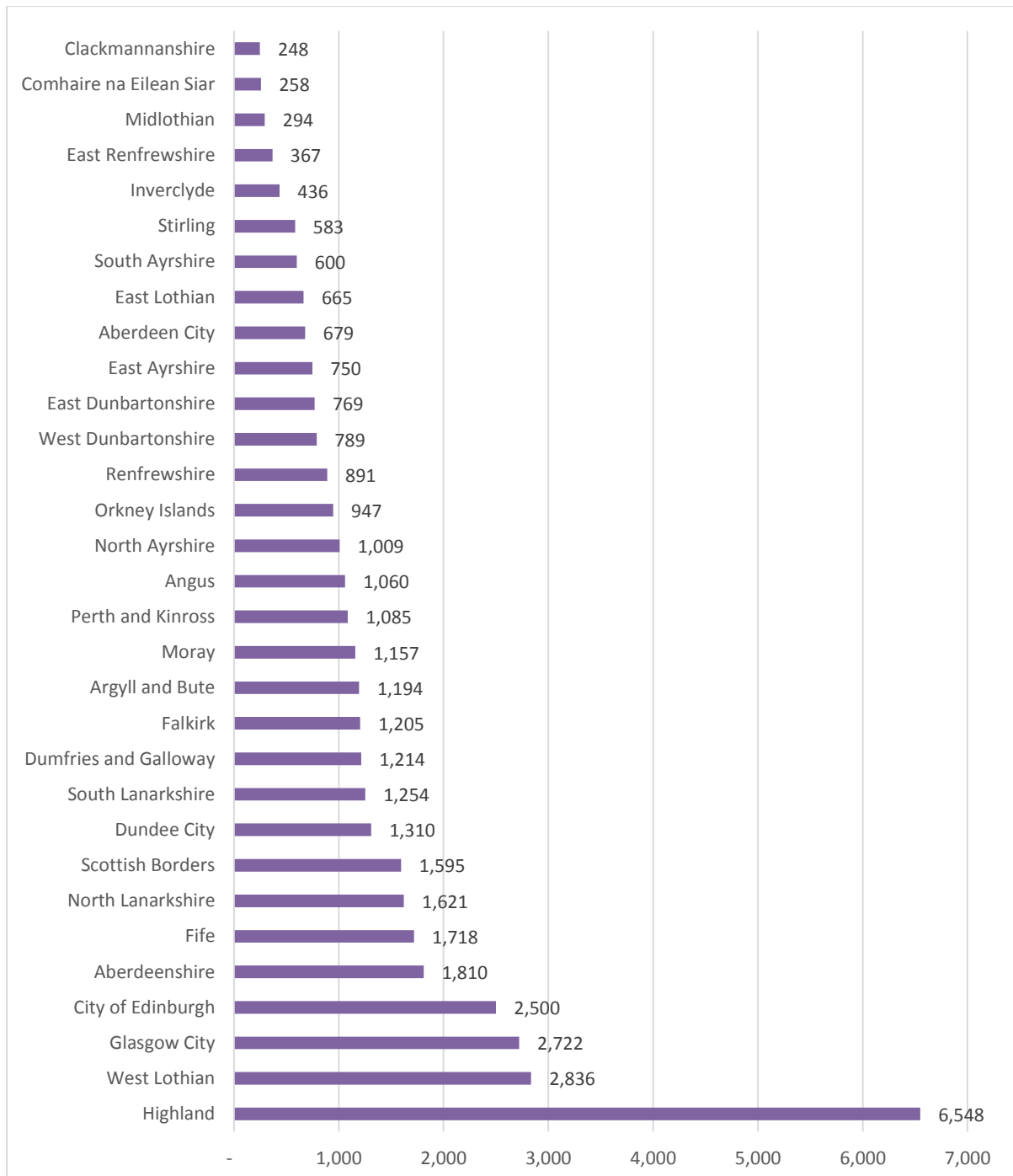
assist in relation to service uptake and in terms of providing employment opportunities. More generally, the location of council assets can clearly also encourage footfall that promotes wider commercial sustainability.

However, it is more difficult to complete an assessment of asset management approaches across Scotland in quantitative terms, as we have done for employment and procurement. While, almost all councils have been publishing asset registers that provide a count and classification of assets, these are not consistent in approach, making benchmarking and comparison challenging. Therefore, in discussing the role of asset management we focus on the following areas:

- Some key drivers affecting the role of asset management in councils;
- The broad scale and scope of assets as reflected in council asset registers (with the above limitations note);
- Relatedly, the potential benefits of a standardised approach for asset registers; and
- The role of Community Ownership Support and Community Asset Transfer in supporting inclusive growth.

In addition, individual council economic footprint reports comment on the strengths, weaknesses, opportunities and threats facing respective asset management approaches. Selected examples of asset management approaches are also outlined in the following chapter.

Figure 3.18 Number of Assets by Council, 2018

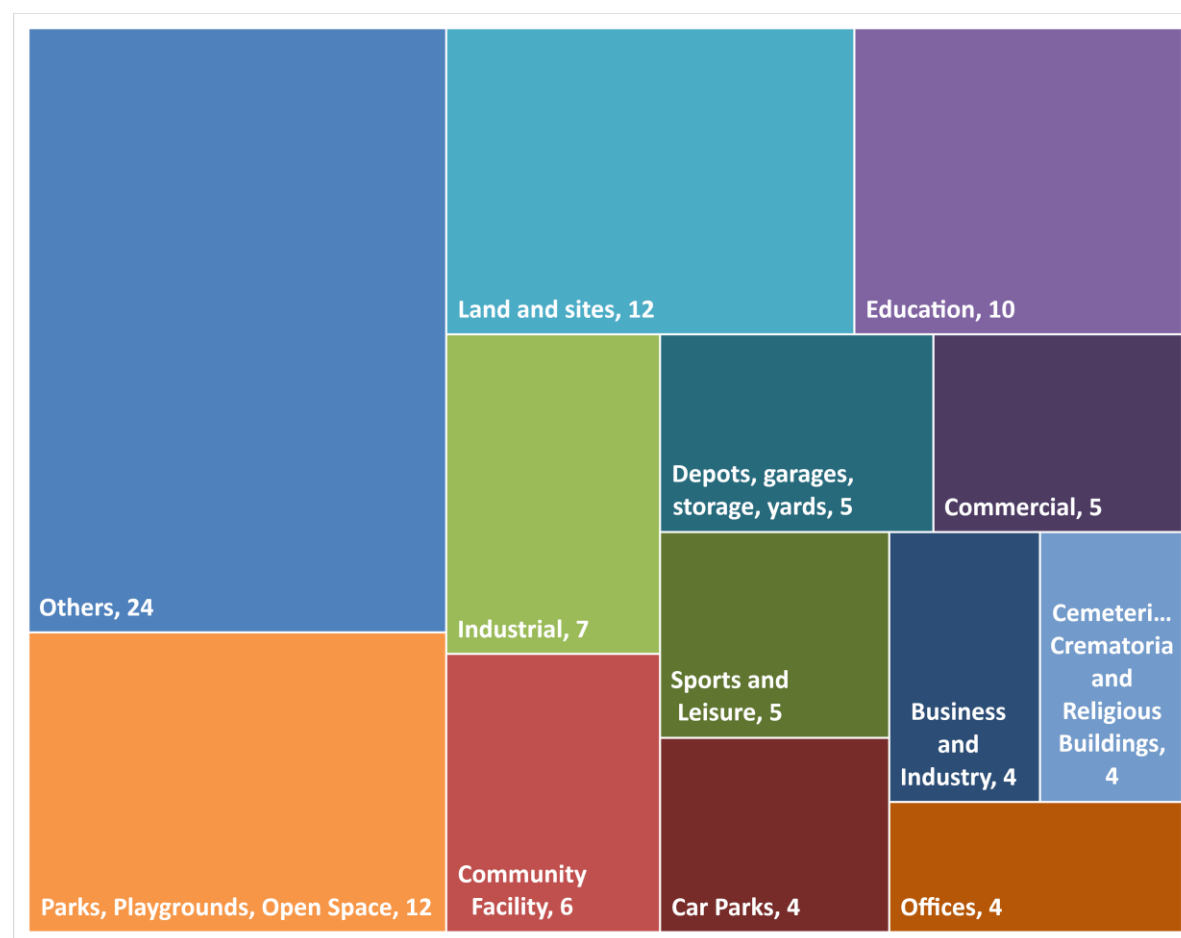


Source: Individual council asset registers, accessed 2018.

Figure 3.18 highlights the significant variation in the volume of assets managed by council, principally reflecting the comparative scale of councils and the size and nature of the communities which they serve. For example, Highland Council services communities dispersed across extensive geographies, whereas Clackmannanshire serves a small, relatively compact series of communities.

The location of key council assets can provide a major benefit for communities, for example, by acting as anchor organisations in developments, by helping increase footfall in otherwise declining town centres, etc. These important economic factors are increasingly being brought into consideration by councils when making decisions about major assets. Whilst consolidation of premises into, say, new build out-of-town centres may deliver longer-term cost and efficiency savings, this needs to be balanced with the potentially adverse impact of councils withdrawing from potentially fragile locations.

Figure 3.19 Assets by Category and Per Cent of Total, All Councils, 2018



Source: Individual council asset registers, accessed 2018.

3.4.1 KEY DRIVERS

There are numerous developments that are impacting upon strategic asset management, with the key drivers including austerity and funding pressures that require innovative solutions, new partnerships, and a particular focus on the strategic management of assets to support the delivery of social and economic outcomes defined in council and partnership strategies. Key drivers include:

New national-level sources of funding: This includes City / Growth Deals operating on a regional basis, which typically aim to provide significant new infrastructure and other investment over the medium term. These initiatives are usually designed to lever further significant new private funding from the public sector investment.

European-level funding: European Structural and Investment Funds are managed by the Scottish Government, with the aim of increasing economic activity and employment. Current main programmes are due to run until 2020. The focus is upon Smart, Sustainable and Inclusive Growth, increasing economic activity and employment. The UK's anticipated departure from the EU will end ERDF and ESF funding, which has been a major source of economic development funding over the past few decades. ERDF, in particular, has made a major contribution to the development of infrastructure across the country, from the urban central belt, to rural areas. A significant proportion of these developments have been led and match-funded by local authorities. There is a current lack of clarity regarding what, if any, specific developmental funds may replace EU funding.

Specific regeneration funding: The Scottish Government manages a [Regeneration Capital Grant Fund](#) (c.£25m per year) in partnership local government, with annual application rounds. The Vacant and Derelict Land Fund also provides funding of c.£8m.

A broader range of approaches also exist, often including significant elements of innovation. For example, these may include fund-raising and increased borrowing, such as the raising of funds through council bonds (e.g. [Aberdeen City Bond](#)), borrowing from the Public Works Loan Board, Tax Incremental Funding (e.g. [Falkirk TIF](#)), etc. A number of these more innovative approaches also include elements of risk and require to be considered in terms of the [prudential code](#) for financing capital development.

The need for consolidation and disposal of assets: Budgetary pressures, coupled with the extent of vacant and unused assets, provide considerable impetus to consolidate assets and dispose of those that are surplus or unused. This includes the focus of investment in the highest-priority assets. However, this must be balanced with the risk of social exclusion if local services are withdrawn as part of the consolidation process. This can potentially be mitigated by transfer of assets to other partners, the third sector or communities, to meet local needs, and also via the sharing of services at the local level. Moreover, this should not compromise the scope for support of economic development, particularly in relation to the future planning and development of strategic sites, which will be crucial to future investment prospects.

Strategic site development: Some sites may offer significant economic potential but may be constrained by major remediation or infrastructure requirements, capitalising on strategic transport accessibility, strategic partnerships and strategic investment. In light of declining capital programme budgets – and reduced activity in this area by some national partner agencies, this presents a challenge for future development. Nevertheless, developing and zoning land for future - and, as yet, often unknown - inward investment opportunities is a key

task for economic development. Funding constraints on local authorities and national partners traditionally active in this area will continue to make this a particularly challenging area. The development of regional deal and other innovative approaches should, however, go some way to assisting in this important area.

Sharing of services: Increased collaboration with community planning partners over recent years has provided the opportunity for sharing services, particularly through community hub-type models. sharing the same premises and allowing asset consolidation by local authorities and partners without the loss of services. This approach is also typically focused on a more client-centred approach, seeking to integrate common services delivered across a council and partners.

3.4.2 EMERGENCE OF A CORPORATE APPROACH

In general, most councils have a corporate approach to asset management and published asset registers, driven mainly by budget considerations and, more recently, the requirements of the Community Empowerment (Scotland) Act, 2015.

Historically, a useful starting point for most councils was the Audit Scotland review into asset management best practice (2009) but other strategic planning and council corporate and political cycles have led to the existence of a range of stages of development and implementation across local government in Scotland, rather than a consistent position.

Nevertheless, there is a general direction of travel towards a corporate asset management approach linked to social and economic outcomes, at all levels from strategic to local, in various partnerships, and most councils have examples of good practice that could be applied elsewhere.

An indication of notable features of the asset management approach taken by a selection of councils is provided in the box below (see Box 3.1).

Box 3.1 Notable Features of Asset Management Approach, Selected Councils

Angus Council relates principal centres of population to asset concentrations in the asset register. Uses the TellMeScotland website to promote asset transfer notices.

Argyll and Bute Council has a strategic asset management board with a corporate strategy that identifies a need to ensure assets are required for operational and regeneration/economic development outcomes.

City of Edinburgh Council identifies council property assets as a strategic driver for inward investment and economic delivery, and also at the locality level. This was reinforced as a Capital Coalition Pledge: “identify unused council premises for short, low-cost lets to small businesses and community groups”.

Comhairle nan Eilean Siar has a corporate approach to asset management with a detailed system for property review and disposal including expressions of interest from community groups prior to going to the open market.

Falkirk Council has an innovative online database designed to provide real-time details of corporate assets, with a range of search criteria.

Glasgow City Council has a sophisticated approach at a number of levels, building upon the City Region Deal and other regeneration initiatives at the strategic level, also drilling down to the “Stalled Spaces” initiative which allows localised community use proposals on vacant, under-utilised or stalled sites.

Highland Council has a comprehensive approach to corporate asset management that looks particularly at area management plans, with local reviews of assets against local needs and economic development and other place-making policies. In common with a small number of other councils, Highland promotes its corporate asset register via an online map portal.

Orkney Council has a comprehensive framework for strategic asset management that recognises the scope for asset transfer in bringing voluntary and community organisations together, also strengthening the sustainability of communities and providing bases for activities and services in areas that may not be accessible.

Renfrewshire Council has focussed upon Paisley town centre as part of a wider strategy for the use of council assets and purchases to facilitate regeneration and support business activity. The council also has an associated heritage asset strategy and has created a retail incubator hub for the town. This also sits within the context of a wider regional framework.

Scottish Borders Council has a recently-approved corporate plan that focusses upon economic development and a “ripple” effect from service and capital initiatives. A Localities Bid Fund is intended to promote and enable community asset transfer opportunities by way of funding.

Shetland Council has a Partnership Plan that is currently under development but has a concept of “island proofing” that seeks to safeguard services to dispersed communities.

South Ayrshire Council has undergone a recent corporate re-organisation including the consolidation of various linked services under a Place directorate, designed to increase linkages. The council also has funds (including a community halls fund) to further support asset transfers.

East Ayrshire Council has a particularly pro-active approach to encouraging and supporting community asset transfers, including a range of council professionals actively supporting community groups on the issue of asset transfer.

South Lanarkshire Council has an online map that provides thematic details of corporate assets.

West Dunbartonshire Council has a particular focus upon regeneration, with corporate asset management and economic development residing within the same directorate. One particular initiative is the acquisition of the Exxon site, as part of the Glasgow City Region Deal, a major project intended to improve growth and employability.

West Lothian Council has recently conducted a review of community asset transfer policy and also has a wider policy of providing accommodation for services in communities with higher incidences of multiple deprivation.

3.4.3 COMMUNITY OWNERSHIP & ASSET TRANSFER

Community Asset Transfer is the transfer of assets, land or buildings from local authorities or other public agencies (relevant authorities) into the ownership of the community, defined by either geography or interest.

Communities have been taking ownership and running assets in Scotland for many years. They do so for a variety of reasons, including:

- Local communities can be concerned about losing locally valued assets and associated services - from community centres to parks, libraries and town halls;
- Local Authorities and other public bodies are also facing intense financial pressure, resulting in the need to maximise the use of publicly-owned land and buildings or dispose of them in order to reduce the associated costs; and
- Community groups owning or operating assets may be able to access resources that are not available to local authorities. For example, this may include particular funding streams. It may also include the fact that transferring assets to community groups may inspire an upsurge in volunteers for managing / utilising the asset, due to an enhanced sense of ownership within the local community.

Transferring an asset to a suitable community organisation can enable a redundant public building to thrive or turn a marginal public service into a viable community service.

Community ownership has a role to play in helping communities respond to these challenges by taking even greater control of local land and buildings.

In recent years, legislation and national policy in Scotland - such as the Land Reform (Scotland) Act 2003 and the Community Empowerment Act 2015 – have recognised the importance of supporting strong, independent, resilient and empowered communities.

Community ownership of assets has a role to play in inspiring people, creating opportunities and transforming communities by taking control of land and buildings where they live. There

is a thriving network of community landowners, both rural and urban, showing the benefits communities can deliver given the right opportunity.

The Disposal of land by Local Authorities (Scotland) 2010 Regulations further facilitated the drive for asset ownership. These regulations gave discretionary powers to local authorities to dispose of land, buildings or associated rights such as sporting, riparian (land bordering a body of water) or mineral rights to community organisations at less than best financial consideration without reference to the Minister, provided a local authority is satisfied that they were achieving 'best value' through economic, regeneration, social, environmental or health benefits.

Part 5 of the Community Empowerment (Scotland) Act 2015 and guidance further introduces a right for community bodies to make requests to all local authorities and a wide-ranging list of public bodies (relevant authorities), for any land or buildings they feel they could use in a better way to deliver services and benefits.

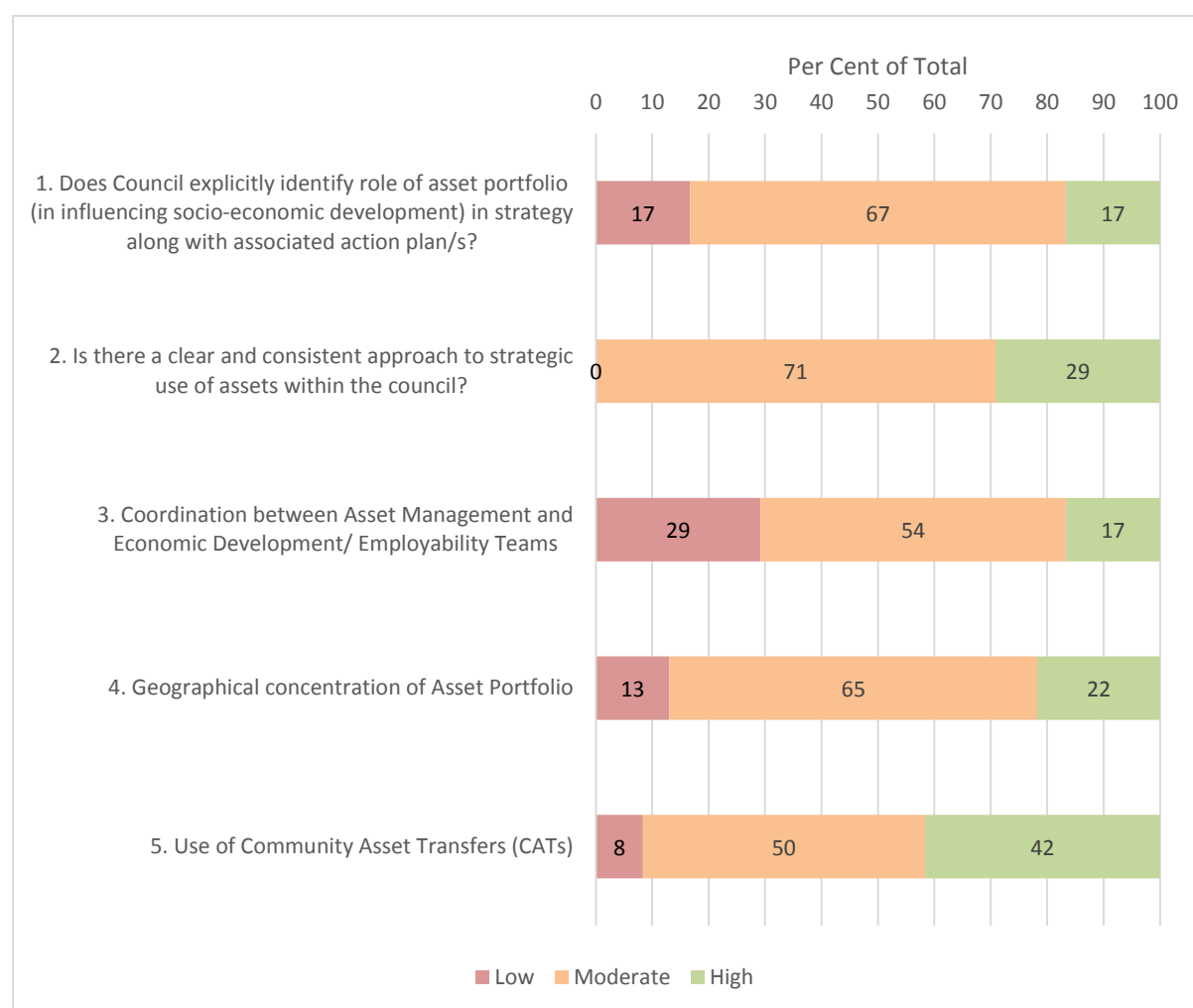
Community groups can request ownership, lease or other management rights, as they wish. The Act requires those relevant authorities to assess requests against a specified list of criteria and to agree the request unless there are reasonable grounds for refusal. This helps to shift the balance of power towards the community body and ensure that asset transfer opportunities are available throughout Scotland.

Key requirements for the asset transfer process include:

- **Asset Transfer (AT) strategy** - each relevant authority should have an asset transfer strategy and process, providing a framework for community groups. This should include a named single point of contact with contact details;
- **Registers of Land** - the Act requires all relevant authorities to make a list of all the land and buildings they own or rent, and publish it. (Not just assets that are surplus to requirements);
- **Information provision** - Relevant Authorities should work with community transfer bodies to provide information on assets requested. This can include information on running costs, condition reports and any burdens, if known, on the title of the property. There are various other ways that Relevant Authorities can support community transfer bodies in the process;
- **Timeframes** - The Community Transfer Body (CTB) must provide all the information stipulated in the Community Empowerment Act when it makes an asset transfer application. Once submitted, there are clear timeframes for decision making and response to the CTB;
- **Appeals** – if an asset transfer request is refused, the CTB may appeal the decision of the relevant authority. In the case of local authorities, the appeal is for review by the relevant authority concerned and then ultimately to the Scottish Ministers; and
- **Annual reports** – are to be sent to the Scottish Government on asset transfers.

Figure 3.20 (below) further summarises the ratings provided within each individual Economic Footprint report for several key dimensions of practice for asset management. The assessments indicate a range of practice, but with significant scope, in the majority of cases, to further enhance current approaches.

Figure 3.20 Dimensions of Practice for Asset Management, Summary of Ratings



Source: Economic Footprint Reports. Note: Dimensions 1-3, 5 based on 24 councils, dimension 5 based on 23 councils.

3.4.4 DEVELOPING A STANDARD APPROACH TO ASSET REGISTERS & REPORTING

As noted, it is difficult to complete an assessment of asset management approaches across Scotland in quantitative terms as, while almost all councils have been publishing asset registers that provide a count and classification of assets, these are not consistent in approach.

A standard approach, and further information, would be useful, such as site area as well as a standard taxonomy for asset types.

Councils may wish to consider the adoption of a standard approach towards compilation and publication of asset inventories. Such an approach would support the compilation of regional based work, as well as national registers to support various purposes and collaborations. If this is deemed desirable, the Improvement Service would be happy to work with councils to support the development of this approach.

4 SELECTED EXAMPLES OF GOOD PRACTICE

4.1 INTRODUCTION

The EOP Footprint reports highlighted a range of good practice in councils across Scotland for promoting inclusive growth and making use of councils' levers for economic development, including, but not restricted to, their roles as employer, buyer and assets manager. It is not practicable to capture all of these within this report. However, this section of the report sets out a selection of examples of good practice across participating Councils, while acknowledging there are many others that have not been referenced here. They are intended as indicative of the range of good practice and innovative approaches in use. Where available, examples used include a link for further details.

4.2 SELECTED EXAMPLES

Targeted Employment Opportunities: Stirling Council

Stirling Council offers a small number of work placements through working with local schools to target disadvantaged young people. It has a corporate parenting style programme which offers role model mentoring by council staff, and a 'family firm' programme for care experienced young people is being explored which will build on this. A charity, 'Career Ready', works with S5 and S6 pupils who need extra help and support by providing a mentor and, at the end of the school year, providing four weeks of paid work experience. This is now operating in a number of secondary schools in the area and provides young people with valuable experiences which could help them to gain employment with the council in the future.

The council also works with Forth Valley College to support young people looking for part-time, flexible employment alongside their studies. This has direct benefits to the council by allowing for identification of potential future employees and assisting with workforce planning.

Modern Apprenticeship opportunities are supported throughout the council, and an employer's incentive is offered to local businesses willing to take on a young person. The council also offers supported employment opportunities to clients who are furthest away from the labour market, with guaranteed interviews for all care experienced young people who meet the essential criteria for job vacancies. These initiatives highlight the close working relationships between council services, including employability and recruitment.

The council actively pursues a range of measures to exercise its role as an employer through providing opportunities for experience, supported work placements, and accredited training and employment opportunities to build progressive employability pathways. All of these are targeted within an inclusive growth ambition.

Modern Apprenticeship Programme – Dumfries & Galloway Council

Dumfries & Galloway Council recognises the important role it plays as an employer in the local area. The council's employability service sits within the Economy, Environment and Infrastructure Directorate, which works closely with the Children, Young people and Lifelong Learning Directorate. In order to address the rurality and dispersed population challenges facing the council, employability interventions are particularly focused in areas of significant deprivation. High level action plans have been developed for these areas which aim to limit and streamline the introduction of new interventions and minimise duplication.

Between 2012/13 and 2017/18 the council invested £5.5m in Modern Apprenticeships (MA Plus Programme) facilitating 250 MA opportunities for 16-19 year olds. This was a rolling programme offering young people three years of employment with the council on the Living Wage. Dumfries & Galloway has a relatively low wage economy, and the council has sought to address this through becoming an accredited Living Wage organisation and championing this in the local area. The council operated 11 Modern Apprentice frameworks within the MA Plus programme, which enabled the Council to offer a wide variety of opportunities for young people. The council also has a Champion's Board which involves looked after children and aims to ensure that disadvantaged young people are also able to access training and employment opportunities with the council. The Economic Development and Employability services is currently exploring Modern Apprenticeships opportunities within the care sector, where it is anticipated there will be a significant increase in demand and a shortage of staff in the near future. The priority for the council is in ensuring there are attractive employment opportunities for local people, where they may otherwise be limited by the rural geography of the area. This approach also contributes to workforce development issues and related service delivery planning.

The council is now in a transitional phase where focus is on establishing a partner Modern Apprenticeship Board which will oversee Foundation, Modern and Graduate Apprenticeships. Going forward, this is likely to mean a partnership approach between the council, college, third sector and business sector.

Council Procurement to Support the Local Economy – South Ayrshire Council

South Ayrshire Council is developing a collaborative Action Plan to promote procurement that supports the local economy. This is in response to the challenge of decreasing procurement spend with local SMEs as highlighted through the Local Government Benchmarking Framework (LGBF).

Corporate Procurement and Economic Development teams have been working together since 2010 to co-host South Ayrshire Council stands at both local and national Meet the Buyer events. This has been successful in supporting local suppliers, for example an Ayr-based ironmongery business sought advice and training on becoming a supplier to South Ayrshire

Council, and has gone on to be appointed to supply all three Ayrshire Councils with specialised goods, significantly expanding the business. The council recognises that the Economic Development team is crucial to promoting procurement opportunities to local businesses and building their capabilities, whilst ensuring Procurement Officers are safeguarded from the perception of potential conflicts of interest.

Since February 2018, an Economic Development officer has been aligned to Corporate Procurement and is working alongside the Procurement Lead to build collaborative working practices, share information and develop the Action Plan. The council is also developing a renewed approach to ensuring local SMEs can access council and wider public sector procurement opportunities. This also includes enhancing delivery of community benefits, in particular the creation of jobs through local SMEs that have existing contracts with the council.

Preliminary benchmarking will be carried out for the Action Plan to set a baseline for all improvement activities. Ambitious targets will be set for each element and incorporated into future team and service plans across the council. Through increasing engagement with supply chains, the council also hopes to develop a better understanding of how local SMEs operate and what they can offer, as well as providing the sustainable momentum and leadership required to maximise the benefits of procurement in South Ayrshire.

Community Benefit Clauses in Procurement – Perth & Kinross Council

Perth & Kinross Council has established a cross-council Working Group to link key personnel who have the greatest influence over council spend and those with the potential to lever the greatest social value from this spend. A specific effort has been made to align council strategic objectives, community needs (as defined by communities) and offers made by suppliers in terms of Community Benefit Clauses. Focus Groups have also been developed to ensure whole-council support for the delivery of benefits. Employability, Economic Development, Community Engagement, HR, Construction, Social Care and DYW teams all contribute to these groups. The council uses a categorisation of benefits which help to identify the most appropriate point of contact for specific Community Benefit Clauses.

The council has implemented an extensive programme of work with its supplier of interim and temporary workers to help individuals gain experience and training, which improves skills and ultimate employability for similar roles. It is also working with students and teachers in the area to showcase the range of career opportunities available to young people. This includes offering work placements and internships within the council to S4-6 students.

Working with contractors who have obtained contracts for large infrastructure projects, the council promotes the local supply chain and labour market. In order to manage delivery, it has developed a tracking tool which records benefits offered by each winning bidder in a tender. During the implementation phase, the tracker records evidence of delivery of the

benefit. The council is also developing a targeted list of benefits that have been requested, either by community groups or as part of council-led strategies.

Relocation of Council Offices – West Dunbartonshire Council

West Dunbartonshire Council carried out a community consultation in 2008 as part of the preparation of a new masterplan for the town centre. The masterplan was focussed on improving the retail offer and creating a retail anchor for the town centre to draw in more footfall and capture local expenditure, aiding the town's regeneration. However, some feedback received supported Council Offices within the town centre to create footfall and at which it was identified that the Garshake Road headquarters was the 'wrong location' for the council offices. The existing offices were also beginning to deteriorate and deemed to be no longer fit for purpose. This prompted the council to compile a rationalisation strategy including an options appraisal which considered Dumbarton and Clydebank town centres and other sites as potential relocation options. Through this process it was determined that relocating the council offices to Dumbarton town centre would have the biggest positive impact on a range of economic outcomes.

The new offices in Dumbarton town centre cost £15.4m and this was supported by a grant from Historic Scotland due to the building having a Grade A listed façade. This has relocated 500 staff previously based at Garshake Road and will generate savings in the region of £400,000 per year in comparison to maintaining the old office estate. Together with those staff relocated to the refurbished Bridge Street offices and the renovated municipal buildings over the last 18 months, more than 800 council workers have been brought into the town centre from out of town locations. This will give Dumbarton a much-needed financial boost and have a significant impact on the regeneration of the town centre. Around 800 people are going to shop and eat in the town centre, which will have a significant impact on the local economy and businesses.

The council is also developing a Green Travel Plan to promote healthier and more cost effective ways of commuting to work. A new public reception and forum at the front of the building will also aim to encourage the public to use the council's online services. The intention for the old offices at Garshake Road is for them to be demolished and sold off for housing.

Community Asset Transfer - Boyndie Trust, Aberdeenshire / Moray

The aim of this project is to provide skills development and job coaching for adults with special needs, together with creation of employment for the area.

In terms of achievements, the building and gardens have been developed into a 4-star Visitor Centre, which attracts 50k plus visitors per year and is home to a range of successful

enterprises including a destination restaurant, gift shop, garden centre, workshops, and seven acres of recreation space. There are training rooms, office space for the Trust and another local charity. Products from the workshops are sold on-site.

These enterprises provide voluntary training opportunities for around 60 unemployed people, and paid employment for a further 30 people.

Earning money through trading: around 60% of The Trust's £500k annual income comes through the Centre's tills, the remainder comes from Service Level Agreements with both Aberdeenshire and Moray Councils for provision of services, plus a variety of micro-contracts with other care organisations.

This is a good example of a surplus local authority asset being transferred to a rural development trust; underpinning successful and diverse enterprise development, improving the life chances of local people who are disadvantaged in the labour market, and enabling the development of a strong delivery partner for the Councils.

Social and Economic Development: Highland Council

The Highland Council area is the largest in Scotland, covering over a third of Scotland's land mass, 235,000 residents and a growth target of 250,000 residents over the next 20 years. The council area is characterised by challenges such as sparsely-populated and remote wilderness and coastal areas which impact on both social and economic development. These also impact on the management of council owned and leased facilities, which provide services to communities, balance efficiencies with continued service delivery and promote economic and social development.

The council has developed an asset management approach from the strategic/corporate level down to local areas. This has been developed in line with council-wide strategic and corporate plans, but with a focus on identifying the wider role of asset management in facilitating better social and economic outcomes. Wider public sector partnerships are also facilitated via the Highland Community Planning Partnership and this is reflected within the Corporate Property Strategy. This corporate approach is aligned with a target operating model derived from a comprehensive external review conducted several years previously.

The council has developed specific area level plans for Inverness and Lochaber and these can be linked to local planning policies and guidance, particularly as they include population data by ward. This can be used to assess service provision in relation to communities, particularly in Highland, where communities are typically dispersed. Community interests are supported via a Community and Democratic Engagement Manager, in addition to local Ward Managers, identified as the contacts for community asset transfer requests. The council has an ongoing community asset transfer programme, with a useful web map that summarises property locations and provides further details with regard to each asset.

5 SELF-ASSESSMENT CHECKLISTS

5.1 INTRODUCTION

This section of the report contains a series of checklists, which set out important questions to consider relating to three of the main council levers for inclusive growth:

- Direct Employment;
- Procurement; and
- Asset Management.

The self-assessment checklists contained within this section provide a quick and accessible aide memoire, covering key points that ought to be considered when reviewing each of the three levers. When using the checklists in this manner, it is important that the issues raised are considered fully by those undertaking the review in order to identify areas of strength, areas of weakness and scope for improvement. Note that not every criterion contained within the checklists will necessarily be relevant to individual councils.

This process may involve utilising an independent facilitator, establishing a peer review panel or benchmarking performance against that of a suitable comparator.

The main purpose of the checklists, therefore, is to help stimulate discussion on key issues, with a view to identifying improvement actions that can be implemented. It is emphasised that the issues highlighted in the checklists are intended to act as a starting point for stimulating discussion. Relevant evidence and analysis will be vital to ensure that improvement actions are identified, based not just on the opinion of reviewers, but also with reference to a factual evidence base.

5.2 SELF-ASSESSMENT CHECKLISTS

Table 5.1 Council as Employer – Self Assessment Checklist

| Area | Actioned |
|--|----------|
| 1. Explicitly identify role as employer (in influencing inclusive growth) in Economic Strategy and allied documents. | |
| 2. Establish and maintain up-to-date action plan for using council role as employer to support Economic Strategy. | |
| 3. Ensure objectives are clear and proportionate, using with appropriate SMART targets, where appropriate | |
| 4. Ensure a clear and consistent approach to economic development across departments with roles and responsibilities clearly identified. | |
| 5. Develop a strategy for engaging target groups/areas in developing solutions to improve employment opportunities, including appropriate SMART targets, where appropriate. | |
| 6. Work with relevant Community Planning Partners to promote shared objectives for employment in relation to target groups/areas (including most deprived data zones) and identify clearly defined roles and responsibilities. | |
| 7. Review the availability, scale and character of internal Modern Apprenticeship Programme and relevance to target areas/groups (including most deprived data zones). | |
| 8. Review targeting of recruitment promotion for priority groups/areas (including most deprived data zones). | |
| 9. Ensure there is a well-developed employability strategy for target groups/areas (including most deprived data zones) and associated SMART targets, where appropriate. | |

10. Undertake monitoring of Council recruitment, payroll, and employment status with target groups/areas (including most deprived data zones) and ensure the data is effectively collected, analysed and responded to.
11. Cross-reference areas of significant non-local recruitment against local skills gaps, and ensure mechanisms are in place to communicate this intelligence to local employability/skills interventions – within the Council and beyond.
12. Ensure real time intelligence on Council recruitment patterns is regularly communicated to local employability and skills development interventions.
13. Consider extending future payroll analysis to support the Council's Economic Footprint to include ALEO staff.
14. Consider targets for proportion of employees from target areas/groups (including most deprived data zones). Consider inviting lead officers in Council employability programmes to identify new area targeted programmes/activities, which are directly targeted on increasing Council recruitment from the most employment deprived areas.
15. Review the implications of Welfare Reform for Council staff in terms of profile of staff affected, and appropriate responses in terms of staffing levels and employee support.
16. Identify mechanisms to cross reference/proof any future reductions in Council services/workforce against employment patterns in the most disadvantaged communities.

Table 5.2 Council as Buyer – Self Assessment Checklist

| Area | Actioned |
|--|----------|
| 1. Explicitly identify role as buyer (in influencing inclusive growth) in Procurement Strategy, Economic Strategy, and allied documents. | |
| 2. Establish and maintain up-to-date action plan for using council role as buyer to support Economic Strategy. | |
| 3. Ensure procurement to support inclusive growth objectives are clear and proportionate, and have appropriate SMART targets, where appropriate. | |
| 4. Ensure a clear and consistent approach to procurement across departments, including economic development function, with roles and responsibilities clearly identified. | |
| 5. Develop a strategy for engaging target groups/areas in developing solutions to improve local procurement opportunities (including development of social economy sector organisations), including appropriate SMART targets, where appropriate. | |
| 6. Work with relevant Community Planning Partners to promote shared objectives for procurement in relation to target groups/areas (including most deprived data zones) and clearly define roles and responsibilities. Where relevant, extend collaboration to regional partners. | |
| 7. Review the availability, scale and character of Community Benefit Clauses and relevance to target areas/groups (including most deprived data zones). | |
| 8. Review procurement with local suppliers, especially small suppliers, and the extent to which they benefit from sub-contracting, ensuring a well-developed local supplier development programme. | |
| 9. Undertake monitoring of the share and characteristics of procurement from target groups/areas (including most deprived data zones) and ensure the data is effectively collected, analysed and responded to. | |

| | |
|---|--|
| <p>10. Ensure intelligence on local Council spend by sector is available to, and reflected within, Council and CPP partners' approaches to supporting local businesses – including identifying and addressing where relevant work in key sectors is procured from outwith Council area.</p> | |
| <p>11. Where appropriate, collaborate with Regional Economic Partnerships to ensure both Council and partner Council spend levels within the region increase - including joint procurement opportunities, as appropriate.</p> | |

Table 5.3 Council as Asset Manager – Self Assessment Checklist

| Area | Actioned |
|---|----------|
| 1. Explicitly identify role as asset manager (in influencing inclusive growth) in Asset Management Strategy, Economic Strategy, and allied documents (ensuring the use/mobilisation of all assets to maximise their role in supporting Council economic growth, and support the wider regeneration and reducing inequalities agendas). | |
| 2. Establish and maintain up-to-date action plan for using council role as asset manager to support Economic Strategy, and allied documents. | |
| 3. Ensure asset management activities to support inclusive growth objectives are clear and proportionate, and have appropriate SMART targets, as appropriate. | |
| 4. Ensure a clear and consistent approach to asset management across departments, including the economic development function, with roles and responsibilities clearly identified. | |
| 5. Develop a strategy for engaging target groups/areas (including most deprived data zones) in developing solutions to improve asset management opportunities, including appropriate SMART targets; also including development of an Asset Transfer strategy, with a named Single Point of Contact for community groups, (and implementing other key processes relating to asset transfer (as set out in section 3.4.3 of this report). | |
| 6. Work with relevant Community Planning Partners to promote shared objectives for asset management in relation to target groups/areas (including most deprived data zones) and clearly define roles and responsibilities. | |
| 7. Review and monitor the availability, scale and character of Community Asset Transfer activities and relevance to target areas/groups (including most deprived data zones). | |
| 8. Undertake monitoring of the assets and assets management activities with target groups/areas (including most deprived data zones) and ensure the data is effectively collected, analysed and responded to. | |

| | |
|---|--|
| 9. As relevant, consider the establishment of a Region wide asset inventory as a first step to assessing collaborative potential. | |
|---|--|

6 CONCLUSION

Economic outcomes are central to achieving a wide range of other outcomes, such as obtaining sustainable employment and, at the same time, reducing the need for other Council (and partner) interventions such as for housing support, social work, etc.

Accordingly, improving economic outcomes is a key element of the prevention agenda and can play a major role in managing down long-term demand for a wide range of public services (and the associated demand on council and other public sector budgets).

The report highlights that Councils control and influence a range of levers that impact on economic outcomes. This includes their role as major employer, buyer of goods & services, and asset owner (as well as provider of a wide range of other services and policies that impact on the local economy).

As such, this report - and the individual Economic Footprint reports - provide Councils with a perspective on their current 'economic footprint' and identifies a number of potential areas for further enhancing their positive economic impact.

In doing so, this report aims to focus on activities that complement and add value to the mainstream economic development activities of councils and also emphasise the strategic importance of placing economic development centrally as a key corporate function of local authorities, in a way that goes beyond a 'traditional' approach to economic development activities in local government.

7 NEXT STEPS

Councils are encouraged to consider the findings and conclusions of this report, as well as the self-assessment tools, when reviewing their current approaches to inclusive growth and economic development. Specifically, this is intended to promote best use of the levers at their disposal, including their significant roles as employers, buyers and asset managers. In effect, this is about utilising the full range of corporate resources to achieve the economic outcome priorities of councils and CPPs.

In doing so, we suggest that council senior management teams actively consider the core EOP messages within this report, as well as the key conclusions and recommendations contained within their individual footprint reports.

Councils have demonstrated leadership in this area through contributing resources to enable the EOP work to be undertaken. The lessons identified, and the levers discussed, typically apply equally to other Community Planning partners. All Community Planning partners have endorsed the same Local Outcomes Improvement Plans and have joint responsibility for delivering the totality of the outcome improvements set out within those Plans. It is recommended that councils may wish to consider sharing the EOP approach with CP partners and encourage them to assess what else they too might contribute as major employers, procurers and asset owners.

There is also an important leadership opportunity for councils in deepening existing partnership working in order to advance the joint priorities that have been agreed for improving economic outcomes and reducing inequality.

In support of this goal, the Improvement Service highlights below example of support it could offer on an ongoing basis for the following activities:

- Regular updated employment / salaries analysis on latest available data provided by councils;
- Regular procurement spend analysis on latest available data;
- Support working in consort with other local government economic development partners, to help take forward major issues arising out of the emerging work in this area, such as support for the development of regional approaches and operationalising specific actions for inclusive growth; and
- Support an approach to developing common asset inventory standards, which would facilitate cross-boundary collaboration.

APPENDIX 1

Extracts from Scotland Excel report to 29th June 2018 Joint Committee meeting

a) Summary of the social value added across the portfolio 2013/14 – 2017/18

| | 2013/14 | 2014/15 | 2015/16 | 2016/17 | 2017/18 | Total |
|-----------------------------------|---------|---------|---------|---------|----------|----------|
| No of Apprentices | 9 | 92 | 49 | 18 | 52 | 220 |
| No of New Jobs | 78 | 43 | 29 | 53 | 146 | 349 |
| No of Work Placements | 0 | 5 | 6 | 17 | 30 | 58 |
| Hours of Volunteering & Mentoring | 95 | 377 | 1,279 | 1,570 | 1,637 | 4,958 |
| Hours of Works Experience | 5,305 | 28,214 | 16,734 | 7,852 | 2,541 | 60,646 |
| Value of Other Community Benefits | £2,474 | £16,550 | £46,140 | £87,814 | £311,549 | £464,527 |

b) Community Benefits by Council 2017/18 – Scotland Excel Collaborative Frameworks

| | Number of new apprentices | Number of new employees | Number of work placements | Hours of volunteering | Hours of work experience | Monetary value of Other Community Benefits |
|---------------------|---------------------------|-------------------------|---------------------------|-----------------------|--------------------------|--|
| Aberdeen City | 0.5 | 5.3 | 0.3 | | 177 | £3,475 |
| Aberdeenshire | 2.5 | 5.8 | 1.6 | 0.5 | 35 | £14,986 |
| Angus | 1 | | 1.4 | 0.3 | | £4,772 |
| Argyll & Bute | | | | | | £1,202 |
| Clackmannanshire | | 1 | | | | £314 |
| Dumfries & Galloway | 1 | | | 8 | | £3,626 |
| Dundee | 1 | 2.8 | 2.3 | | 8 | £8,582 |
| East Ayrshire | 1 | 3 | | 18 | | £1,737 |
| East Dunbartonshire | | | | | | £903 |
| East Lothian | 0.5 | 0.4 | | | | £665 |
| East Renfrewshire | | 2 | | | | £1,130 |
| Edinburgh | 7.3 | 7.5 | 4.8 | 24 | | £14,986 |
| Falkirk | 4.5 | 4.5 | | 168 | 78 | £1,677 |
| Fife | 1 | 4 | 1.5 | | 299.5 | £12,791 |
| Glasgow | 7.4 | 27.8 | 5 | 249.2 | 12 | £23,025 |
| Highland | 1.3 | 23 | | 38 | | £2,230 |
| Inverclyde | 2 | | | | | £205 |
| Midlothian | 5.5 | 0.4 | | | | £916 |
| Moray | 0.5 | | | | | £1,622 |
| North Ayrshire | 1 | 6 | 5 | 203 | 171 | £7,038 |
| North Lanarkshire | 2.1 | 2.6 | | 446 | 735.9 | £38,660 |
| Orkney | | | | | | £258 |
| Perth & Kinross | 3 | 1.4 | 2 | 32 | | £4,253 |
| Renfrewshire | 0.3 | 3 | | 234 | 85 | £9,232 |
| Scottish Borders | 0.5 | | | | | £400 |
| Shetland | | | | | | £1,997 |
| South Ayrshire | | 1 | | 216 | 174 | £39,926 |
| South Lanarkshire | 4 | 7 | | | 646 | £16,719 |
| Stirling | 2 | 0 | 1.5 | | | £13,927 |
| Tayside Contracts | | | | | | £1,860 |
| West Dunbartonshire | | | | | | £5,826 |
| West Lothian | | 11.5 | 1 | | | £14,771 |
| Riverclyde Homes | | 0.1 | | | | |
| Various | | 24.7 | | | | £27,530 |
| Unassigned | 2.4 | 1.6 | 4 | | 120 | £30,308 |
| TOTAL | 52.3 | 146.4 | 30.4 | 1637 | 2541.4 | £311,549 |