

Report

Report to:	South Lanarkshire Council
Date of Meeting:	15 June 2022
Report by:	Executive Director (Community and Enterprise Resources)

Subject:	South Lanarkshire Draft Economic Strategy
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1. Purpose of Report

1.1. The purpose of the report is to: -

- ◆ Provide an overview of the draft South Lanarkshire Economic Strategy, - Executive Summary attached as Appendix 1 to this report;
- ◆ Approve the draft Economic Strategy
- ◆ Approve the proposed online public consultation exercise for the Economic Strategy during July and August 2022.

2. Recommendation(s)

2.1. South Lanarkshire Council is asked to approve the following recommendation(s):-

- (1) The draft Economic Strategy and Action Plan be approved.
- (2) The draft South Lanarkshire Economic Strategy be subject to a further online public consultation exercise during July & August 2022.

3. Background

3.1 "Promote" – An Economic Strategy for South Lanarkshire 2013-2023 has been a key document in the promotion and development of the South Lanarkshire economy over the last 10 years. Its key themes were:

- ◆ Business Development & Growth
- ◆ Physical Infrastructure & Place
- ◆ Skills, Learning & Employability

The landscape in which we now live and work has changed drastically since 2013 and consequently it is now appropriate to set out our ambitions and actions for growth in a new five-year Economic Strategy.

3.2 Our new Economic Strategy and associated Action Plan has been drafted to take account of a rapidly changing economy at international, national, and local levels which is increasingly influenced by a number of key economic policies and emerging funding streams at UK Government, Scottish Government and City Region level.

3.3 Our draft Economic Strategy has been shared with partners, stakeholders within and out with the Council as part of a consultation process and we have received comments that have helped define the current document.

4. Draft Economic Strategy 2022-2027

4.1 The proposed draft Economic Strategy Executive Summary is attached as Appendix 1. It is the successor to “Promote” the 2013-2023 South Lanarkshire Economic Strategy.

4.2 The Vision for South Lanarkshire is:

- **Improve the lives and prospects of everyone in South Lanarkshire**

4.3 In the new strategy the mission statement is:

- **To make South Lanarkshire a flourishing, green, dynamic and equitable place for all.**

4.3 The strategy will take an evidence-based approach to inform its actions and activity going forward, including baseline data generated by the City Region Intelligence Hub. This will make the proposed Action Plan agile and responsive as the economic landscape that we live in inevitably changes over the next 5 years.

4.4 The Strategy is intended to promote the unique selling points (USP) of South Lanarkshire as an outstanding place to live, work and visit, with thriving towns and villages, good transport links, a wide range of good quality, affordable housing and a varied supply of employment land and commercial and industrial property. Our skilled and talented population continues to grow, and our excellent transport links to local, regional, national, and international markets reinforces our position as an attractive business location. South Lanarkshire is the place to be!

4.5 South Lanarkshire has a unique economic identity that is influenced by factors such as demographics, health and wellbeing, key employment sectors, educational attainment, productivity levels and the opportunities that exist to drive growth and future prosperity.

4.6 In summary, the strategy includes the following sections: -

- *Foreword* – This briefly sets out the background and the focus of our proposed activity around the 3 themes of sustainable, inclusive economic development – People, Place and Business.
- *South Lanarkshire Means Business* – This section highlights and promotes our strengths as a business location, our key business sectors and exceptional natural, cultural and historic locations across the length and breadth of our area.
- *The Strategy in Context* – South Lanarkshire is refreshing and launching a suite of key strategies and plans including our Council Plan ‘Connect’, our Community Plan, our Community Wealth Building Strategy, our Sustainable Development and Climate Change Strategy and our Tourism Strategy, all of which are inherently linked and informed by our communities. Our Council Plan priorities are:
 - **People** – we need to put people first and reduce inequality
 - **Progress** – we need to recover, progress and improve
 - **Planet** – we need to work towards a sustainable future in sustainable places

Our Economic Strategy dovetails with these priorities and seeks to promote inclusive growth, maximise opportunities across all our communities as we intensify our activity on the journey to net zero.

- *Policy Framework* – This sets out the policy framework that has developed over recent years by the UK Government, Scottish Government, at City Region level and at a local authority level. Alignment with these will maximise the Economic Strategy’s impact.

- *Our Key Themes* –We set out the key themes of **People, Place and Business**, define our ambitions for the future, make a series of bold ‘We Will’ action statements and explain the difference these actions will make as we seek to meet our strategic goals. We will continue to align our themes to the priorities of the Council.
- *Delivering on our Ambitions*: The key actions and areas of activity are set out in the Strategy’s Action Plan (attached in Appendix 2) which defines our priorities, outcomes, actions and how we will measure success. The Council cannot, by itself, direct all of the activities set out in the strategy and will rely on partners and stakeholders to lead on some aspects of its delivery. Nonetheless, the objective is to show that the Council as the democratic institution covering the area has a pivotal role – not only as a direct provider and deliverer of economic development activity but also as a co-ordinator, influencer and facilitator of activity led by others. The action plan is a dynamic document, designed to be agile and updated using an evidence and data driven approach to recognise and meet changing economic circumstances.

4.7 Monitoring Framework - We propose to measure progress in delivering the action plan on a 6-monthly basis with our ‘measurement of success’ results being reported annually. The Strategy refers to other associated strategies and action plans. Existing monitoring and reporting arrangements to monitor those action plans will remain in place to avoid duplication and ensure consistency.

5. Next Steps and Timescales

5.1 On the basis this strategy is approved we intend to finalise the graphic design of the content and communicate it via publication on the Council’s website as part of a public consultation exercise. We have engaged with our partners on how we integrate our activity to align with other action plans which are currently being rolled out. The draft Strategy is presented here for consideration as a Word document. Appendix 3 gives an example of how the final published version could look and following approval, the document’s graphic design will be developed.

5.2 During the implementation phase, annual updates on measuring the success of the Strategy and Action Plan will be provided to relevant committees. Officers recognise that we will require to respond to ever changing economic challenges that are influenced by national and international factors and consider how we can enhance the level of activity in any of the key thematic areas to mitigate negative economic impacts to our local economy.

6. Employee Implications

6.1 There are no direct employee implications. Existing resources within Planning & Economic Development and those approved via the 2022/23 budget will be utilised to finalise the Strategy, deliver the action plan and measure its success going forward.

7. Financial Implications

7.1 The funds required to finalise the strategy and the action plan are currently included in our revenue budgets for the lifespan of the strategy. External revenue and capital will also be sought from UK Government and Scottish Government funding streams to maximising the impacts of our activity across the People, Place and Business themes.

8. Other Implications

8.1 The key risk associated with the finalisation, delivery and monitoring of the strategy is the potential for further national and/or international economic shocks. This could constrain recovery and economic growth both locally and nationally.

9. Equality Impact Assessment and Consultation Arrangements

- 9.1. A Strategic Environmental Assessment is not deemed to be required for this activity. We await confirmation of this from Scottish Government.
- 9.2. The requirement for an Equality Impact Assessment (EqIA) is currently being reviewed.
- 9.3. Council Resources and external partners have been consulted as part of the consultation process. An online public consultation exercise is proposed to take place during July and August 2022.

10. Climate Change, Sustainability and Environmental Implications

- 10.1 The action plan identified in this report will be delivered having regard to best practice both in terms of how we deliver those actions and our commitment to net zero.

David Booth

Executive Director (Community and Enterprise Resources)

30 May 2022

Link(s) to Council Values/Objectives/Ambitions

Link(s) to Council Objective

- ◆ Promote economic growth and tackle disadvantage.
- ◆ Supporting the local economy by providing the right conditions for inclusive growth.
- ◆ Work with communities and partners to promote high quality, thriving and sustainable communities.
- ◆ Support our communities by tackling disadvantage and deprivation and supporting aspiration.

Previous References

- None.

List of Background Papers

- Draft South Lanarkshire Economic Strategy 2022-2027

Contact for Further Information

If you would like to inspect the background papers or want further information, please
Contact: -

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Appendix 1; Economic Strategy: Executive Summary.

Appendix 2; Economic Strategy Action Plan

Appendix 3; Economic Strategy: Graphic Design example

Appendix 1: Executive Summary

Our Mission - 'To make South Lanarkshire a flourishing, green, dynamic and equitable place for all.'

South Lanarkshire is an outstanding place to live, work and visit. Our skilled and talented population continues to grow, and our central location and excellent transport links between South Lanarkshire and regional, national, and international markets reinforces our unique selling point (USP) as an unrivalled business location. Our economic ambition is underpinned by a supportive regulatory framework,

Context

The UK, Scottish, Glasgow City Region and South Lanarkshire economies are all facing real challenges from the global pandemic; our country's new international trading position, and the climate emergency and journey to net zero, all of which impact our lives now and in the foreseeable future.

South Lanarkshire Council is refreshing and launching a suite of new key strategies and plans all of which are inherently linked and have been informed, through consultation, by what our communities have told us should be our priorities:

- **People** – we need to put people first and reduce inequality
- **Progress** – we need to recover, progress and improve
- **Planet** – we need to work towards a sustainable future in sustainable places

The need for *inclusive growth* - an economy in which everyone can participate and benefit from – is more acute than ever, so *maximising opportunities across all our communities* must underpin our approach.

The global *Climate Emergency* remains a very real threat. Climate change commands us to think and act more sustainably and move purposefully towards '*net zero*'.

Consequently, we will deliver our economic strategy in the context of national strategy and policy.

Our Key Themes – People, Place and Business

The Strategy focusses on the three key themes of sustainable economic development: - *People, Place and Business*.

People

South Lanarkshire's greatest asset is our people. Our success in supporting Fair Work opportunities and Skills for now and the future, are fundamental to boost our local economy, promoting innovation, supporting inclusive and sustainable growth and addressing poverty and inequality within our communities. Our Ambitions for the Future are:

- **Employment** - *A well-established, accessible employability pathway enabling all South Lanarkshire residents to fully participate in the labour market.*
- **Workforce Skills Development**- *South Lanarkshire's workforce have the qualifications, skills and attributes required by employers to be more productive and prosperous.*
- **Health and Wellbeing** – *We reduce health inequalities and improve mental health within our communities.*

We will:

- **Minimise unemployment with a focus on disadvantaged communities through employment support.**
- **Promote opportunities and careers to young people and those facing redundancy.**
- **Influence activity and skills investment to address skills gaps.**
- **Maximise engagement with partners to develop a programme of skills alignment to drive sustainable and inclusive growth**
- **Address educational and digital inequalities in our deprived communities.**
- **Increase digital access, training and creativity in our communities.**
- **Promote and support in-work training with local businesses and social enterprises.**
- **Assist our businesses and social enterprises to recruit locally as we develop our Community Wealth Building agenda.**
- **Promote opportunities for people who have suffered mental health problems to train for or return to employment**

Place

South Lanarkshire is a great place to start, grow and locate a business. A place where all our people can access opportunity and achieve success. A place which is the best-connected area in Scotland, supported through improved digital, sustainable and green infrastructure. A place leading the nation in low carbon, renewable technology, and climate resilience on our journey to net zero.

Our ambitions for the Future are:

- ***Support new and established business locations***
- ***Successful development of our town centres and the role they play in our society***
- ***Maintain and increase capital spending programmes through attracting external funding***
- ***Grow the visitor, leisure and tourism economy in our area***

We will:

- **Utilise property assets to maximise sustainable development opportunities and the promotion of vacant & derelict land sites.**
- **Establish a web based/ social media presence promoting South Lanarkshire.**
- **Adopt more flexible regulatory approaches to maximise the sustainability and potential of our town centres.**
- **Work with local business, social enterprises and community-based organisations to provide a better offer for town and village centre users.**
- **Make our centres truly accessible for all whilst making a major contribution towards net zero.**
- **Secure additional financial resources through our Funding team.**
- **Deliver an updated Tourism Strategy to grow South Lanarkshire based tourism businesses**

Business

South Lanarkshire's many and diverse businesses are resilient and continue to thrive. We have strengths in key sectors including Food and Drink, Tourism, Construction, Social Care and Manufacturing. We have an emerging strength in Logistics, Warehousing and Distribution.

Our ambitions for the Future:

- ***Digitally empower businesses and social enterprises***
- ***Increase and sustain new business survival rates as we transition to a net zero economy***
- ***Develop resilient, local supply chains***
- ***Link business success, fair work and improved productivity***

We will:

- **Work with businesses and social enterprises to become digitally confident and digitally competent.**
- **Increase digital participation and competence in our existing and emerging workforce.**
- **Maximise engagement with Business Gateway and local business sectors (including social enterprises).**
- **Create and build collaborative partnerships on our journey to net zero.**
- **Improve our Enterprise Rate, Business Birth and Survival rates.**
- **Establish a resilient, locally based procurement framework.**
- **Increase contract spend with local SME's to deliver on our Community Wealth Building ambitions.**
- **Work with businesses and social enterprises to improve productivity and innovation.**
- **Work with businesses and social enterprises to implement fair work practices.**
- **Increase the number of organisations accredited as Living Wage Employers.**

Delivering on our Ambitions

We have developed a dynamic Action Plan which accompanies the Strategy, centred around our People, Place and Business themes, to track progress.

We will apply an evidence-based approach, utilising data, to create an informed baseline which will help us track and monitor progress and identify any changes we need to make as we progress our economic development programme.

Our forecasts suggest that there will be growth and opportunities created in the labour market around.

- **Sectors:** The Human Health and Social Care sector is forecast to have the greatest growth. Working with employers to improve job quality and pay in the sector will be key to ensure the sector remains attractive to the workforce.
- **Occupations:** There will be changes in the types of roles as new technologies are introduced. This will support growth in IT and technological-based roles. Our workforce requires to have access to digital infrastructure, education and training opportunities.
- **Skills Demand:** The greatest requirement will be for people with higher education level qualifications.

Our Action Plan will respond to these opportunities and be flexible enough to respond to changes that take place in our economy, our labour market and our business base.

Monitoring and Reporting Progress

This Strategy is a high-level statement of intent, demonstrating how South Lanarkshire Council will lead in building and growing the local economy. The Action Plan which accompanies the Strategy will be subject to regular review to ensure we are maximising benefits realisation for as many of our residents as possible.

SOUTH LANARKSHIRE ECONOMIC STRATEGY 2023-2033

ACTION PLAN

THEME	PRIORITY	OUTCOME	ACTION	LEAD	HOW WE MEASURE SUCCESS		
PEOPLE	Employment	<p>Minimise unemployment and underemployment with a focus on disadvantaged communities including:</p> <ul style="list-style-type: none"> - Under 25's - Over 50's - Those with disabilities - Care experienced young people - Those at risk of homelessness - Those following alternatives to custody programmes 	<ul style="list-style-type: none"> - Deliver responsive employment support. - Promote opportunities and careers to young people and those facing redundancy. - Increase digital access, maximise digital training opportunities and creativity in our deprived communities to address educational and digital inequalities. - Promote social value from Council and other public sector contracts - Increase the level of procurement spend with local business and social enterprises and support local recruitment by local businesses and social enterprises. 	SLC DWP; Scot. Gov.; Glasgow City Region.	<ul style="list-style-type: none"> - Measure the number of successful employment and training outcomes across our disadvantaged communities. - Measure and report on the impact of our Community Wealth Building Strategy as it implements a people centred approach towards the creation of fair and resilient communities. 		
	Workforce Skills Development	<ul style="list-style-type: none"> - Train individuals to develop and grow their skills, to be more productive and prosperous in the workplace to benefit both employers and workers and thereby create, sustain and 	<ul style="list-style-type: none"> - Influence activity and skills investment to address skills gaps and the skills needs that have been identified as our economy grows and evolves. 	SDS SLC; Scot. Gov.; Glasgow City Region; Further & Higher Education Providers	<ul style="list-style-type: none"> - Measure the number of local residents we have assisted through employment training and skills development who have then secured employment or acquired additional skills to progress into 'better' jobs. 		

		retain a viable workforce.						
			- Respond to the latest labour market and demand led data to plan and develop our skills and knowledge training					
			- Engage with SDS as they develop a programme of skills alignment to match skills provision with the needs of learners, employers, and industry to drive sustainable and inclusive growth					
			- Promote and support in-work training with local businesses and social enterprises that we engage with to encourage upskilling and progression to release entry level jobs.					
	Improved Health & Wellbeing	- Improve people's health and reduce health inequalities that exist in our society.	- Consider the health needs of our population and how those needs impact the ability of our residents to participate in our economic growth.	NHS SLC; Glasgow City Region	- Measure and report on the impact of our participation in the Mental Health & Wellbeing Strategy for Lanarkshire across our communities.			
			- Influence and facilitate activity that tackles key health issues, particularly where we are performing worse than the national average.					

			<ul style="list-style-type: none"> - Work with partners to improve resilience, particularly in areas of greatest deprivation. 				
			<ul style="list-style-type: none"> - Promote opportunities for people who have suffered mental health problems to train for or return to employment. 				
PLACE	<i>Support New and Established Business Locations</i>	<ul style="list-style-type: none"> - Improve employment and entrepreneurial activity in key business sectors at key locations. 	<ul style="list-style-type: none"> - Utilise our property assets and work with private sector land owners and developers to maximise sustainable development opportunities in our area. - Launch new digital marketing tools and promote South Lanarkshire as an exceptional location for inward investment and expansion. 	SLC SE; SDI; Glasgow City Region.	<ul style="list-style-type: none"> - Measure the level of uptake and occupation of premises within the SLC business / industrial property portfolio and our levels of engagement with private sector property owners who seek to develop their assets in South Lanarkshire - Measure the volume of traffic/enquires coming via the new 'South Lanarkshire Means Business' digital platform. 		
	<i>Successful development of our Town Centres and the role they play in our society</i>	<ul style="list-style-type: none"> - Help create town centres that offer a social, cultural and economic heart to a community and contain shared built environment, heritage and spaces that, with the right conditions, provides inclusive and sustainable centres. 	<ul style="list-style-type: none"> - Adopt more flexible regulatory approaches that seek to maximise the sustainability and potential of our town centres to generate positive social, environmental and economic outcomes and reduce inequalities. - Work with local business, social enterprise and community-based 	SLC Scotland's Towns Partnership; Business Improvement Districts.	<ul style="list-style-type: none"> - Implement the '20-minute neighbourhood' concept and measure increased usage of our town centres by local residents and visitors. - Measure the impacts of our collaborative working arrangements with local business, social enterprises and community-based organisations. 		

			organisations to address issues and support initiatives to create the right conditions for our town centres to thrive.				
	Maintain and increase capital spending programmes through attracting external funding	- Deliver council and community planning partners' strategic projects to enable economic development and sustainable growth.	- Secure sufficient financial resources through our External Funding team with specific focus on emerging Scottish and UK Government funding streams.	SLC Glasgow City Region; Scottish Government	- Increase and maintain the level of resources within our External Funding Team and measure the level of additional external funding into our capital investment programmes.		
	Grow the visitor, leisure and tourism economy in our area	- Promote South Lanarkshire as a leisure and tourism destination and realise the potential our tourism, heritage and cultural attractions and outstanding natural environment have in contributing to the economic wellbeing of the area.	- Deliver an updated Tourism Strategy and work with tourism-based operators and communities to develop a membership-led forum for South Lanarkshire based tourism businesses.	SLC Visit Lanarkshire; Visit Scotland; Business Operators	- Measure and report the impact of actions contained within our new South Lanarkshire Tourism Strategy		
BUSINESS	Digitally empower businesses	- Work with business to become digitally confident, highlighting the need to utilise digital tools to grow and the benefits of a digitally empowered workforce.	- Influence and work with broadband and digital providers to improve and extend our digital infrastructure. - Increase digital participation, confidence, competence and creativity in our communities.	SLC Business Gateway; Glasgow City Region; Digital Providers	- Increase the availability of ultra-high speed and fibre broadband across South Lanarkshire. - Reduce the number of properties with no broadband access or those with low broadband speeds.		
	Increase and sustain new business survival rates as we transition to	- Create and build collaborative partnerships between local government, public sector partners, businesses, social enterprises	- Maximise engagement with Business Gateway and local business sectors (incl. social enterprises)	SLC Business Gateway; Glasgow City Region	- Improve our Enterprise Rate, Business Birth and Business Survival rates in South Lanarkshire. - Measure and report on the impact of our actions within the green economy theme of the council's Sustainable Development		

	a net zero economy	and business organisations as we embark on our journey to net zero, to enable the creation of sustainable businesses that thrive, innovate and support our local communities	to provide advice and professional support as well as access to financial assistance in key sectors and activities.		and Climate Change Strategy		
	Develop resilient, local supply chains	<ul style="list-style-type: none"> - Establishment of a responsible, resilient, equitable and locally based procurement framework that maximises opportunities for local, third sector and social enterprise businesses to bid for and win contracts in our area. 	<ul style="list-style-type: none"> - Collaborate with anchor institutions to effectively grow capacity and capability in targeted local supply chains. Review our procurement practice and identify routes to increase local spend with SME's and social enterprises. - Promote Community Wealth Building plans and ensure procurement supports the delivery of meaningful community benefits to improve community outcomes. 	SLC Glasgow City Region; NHS; Further & Higher Education Providers; SDP	<ul style="list-style-type: none"> - Measure the annual increase in the proportion of contract spend we place with local SME's. - Measure the impact of new community benefits through our monitoring systems to demonstrate improvements in the scope and quality of benefits being delivered. 		
	Link business success, fair work and improved productivity	<ul style="list-style-type: none"> - Recognition that fair work drives success, wellbeing and prosperity for individuals, businesses, organisations and society. 	<ul style="list-style-type: none"> - Work with business to improve productivity and innovation through progressive workplace policies. - Deliver Fair Work webinars to employers. - Promote opportunities to deliver employee development, skills development and lifelong learning. 	SLC City Region; SDS; Scottish Government	<ul style="list-style-type: none"> - Increase the number of organisations accredited as Living Wage Employers. - Measure the number of participants at Fair Work seminar events - Measure the number of employers and employees participating and completing Upskilling programmes – leading to improvements in salary and/or hours. 		

Draft for consultation

Economic Strategy

2022
2027



To make South Lanarkshire a flourishing,
green, dynamic and equitable place for all