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Promoting Growth and Prosperity

An Economic Strategy for South Lanarkshire 2013 - 2023

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Councillor Thompson

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Promoting Growth and Prosperity

Foreword

South Lanarkshire is a fantastic place to live and work.

Produced under the banner of the South Lanarkshire Community Planning Partnership, this economic strategy provides a framework for collective action to generate improvements in South Lanarkshire's economy for the benefit of its businesses, communities and residents alike. It has been developed by the key local stakeholders in South Lanarkshire and aims to respond to recent challenging economic conditions that have impacted on our area, Scotland and the UK as a whole.



Although we continue to face major issues there are signs of an improving picture and South Lanarkshire is well placed to capitalise on any development opportunities that emerge as the economy picks up. However, this will not happen automatically and will require that partners across all sectors play their part by contributing their experience, skills and resources. Only through sustained commitment by all of the various stakeholders involved, building on a well established tradition of such working in South Lanarkshire, will the area's future economic prosperity be secured.

A strong indication of this commitment to prioritising economic growth and achieving improved outcomes can be seen in the Community Planning Partnership's Single Outcome Agreement (SOA) 2013 – 2023. Through the SOA, annual action plans will be updated that will contain specific activities and identify resources deployed towards meeting our objectives.

The partners recognise that resources are finite. But by bringing all of these together and targeting what is available to capitalise on our competitive advantages, maximise

outcomes and address the needs of those who require most help, then we should be able to make a significant difference in improving our local economy and the quality of life and prospects of our people.

*Councillor Chris Thompson
Chair of the Sustainable Economic
Growth Strategic Board*

1. Setting the scene

South Lanarkshire has played a vital role in helping to shape and develop the economy of the West of Scotland and the nation as a whole.



However, there are early and welcome signs of recovery but this needs to be sustained and the impact of recent policy developments, including the rollout of the changes to the welfare system under Welfare Reform, can create uncertainty. In addition, the policy and economic landscape could change in the short to medium term and impact on the direction and deliverability of elements of this strategy.

The local partners are well aware of the scale of the challenges that lie ahead and of the extent to which they need to work within the context of macro economic forces which will impact on the ability of local businesses to generate profits and wealth.

However, South Lanarkshire's people and communities, as they have done in the past when faced with the collapse of their traditional industries, have shown great resilience in meeting these challenges and in overcoming them or mitigating their impact. Although it is recognised that there is still much to do and improve upon, there is great

optimism for the future based on the attributes that the area and its people possess.

The area's central location, natural heritage and outstanding landscapes, industrial tradition and reputation for manufacturing excellence, its skilled workforce, high standards of education and modern learning facilities, varied residential communities and town centres and the 'can do' attitude of the local partner agencies towards development, all offer outstanding opportunities for sustainable economic growth. With the completion of the M74, improvements to the M8 and the development of the Glasgow Southern Orbital, South Lanarkshire's already excellent accessibility to the main Scottish and UK markets and to Glasgow, Edinburgh and Prestwick airports has been further enhanced.

This strategy builds upon and promotes these undoubted strengths, enabling the area to compete for any limited investment opportunities that exist

in the current economic climate and market conditions as well as positioning it favourably for the more substantive upturn in the global economy when it comes.



And there are many reasons to be confident that it can continue to do so into the future and be a driver for success and prosperity.

Undoubtedly, in common with many other parts of Scotland and the UK, the last few years since 2008 have been very challenging times for the area's economic prospects, with limited global economic growth and market failure. Indeed at one point in time Lanarkshire was described as being '...at the epicentre of the recession'.

Crucially this strategy has been informed by extensive consultation with the business community through a variety of means, including surveys and workshops.



Town Centre, East Kilbride by BDP

All of the local economic development partners are very conscious of the need to reflect what local business people see as the priorities for the development and growth of their companies as a large and vibrant SME business base is seen as one of the most important factors in achieving economic prosperity and stability.

This is the first economic strategy for South Lanarkshire and has been developed within the context of the key national, regional and local policies that have a bearing on how the area approaches and maximises economic development activity.

In the late 1990s a joint economic and social strategy was produced but this was superseded by an economic strategy covering the whole of Lanarkshire. However, in recognition of the scale of need and the requirement to focus and tailor efforts to meet locally identified priorities, it was agreed with partners in North Lanarkshire that each area would produce its own policy document.

However, there will continue to be close and developing working relationships with them as well as with other neighbouring authority areas where it is sensible to do so in promoting the interests of South Lanarkshire.

Economic improvement and development will only come about through the active engagement and involvement of all relevant local stakeholders from the public, private and voluntary sectors and all Services of the Council. No single agency or Council service will be able to deliver this agenda on its own. The strategy reflects a tradition of partnership that exists in South Lanarkshire, with all local stakeholders having contributed towards its development under the auspices of the South Lanarkshire Community Planning Partnership and the Single Outcome Agreement (SOA) processes.

The strategy comes at an important point in time as we look to overcome the difficulties of the past few years and move forward positively to helping sustained growth in the South Lanarkshire economy to 2023.

It provides a framework for collective and integrated action to generate a step change in the performance of South Lanarkshire's economy for the benefit of its businesses, communities and residents alike.

It provides a structure for Council services and partner agencies working locally - including Scottish Enterprise, Skills Development Scotland, the Department of Work and Pensions, the

local further and higher education sector, Business Gateway, Lanarkshire Chamber of Commerce, Police Scotland and Voluntary Action South Lanarkshire (VASLAN) - to better inform their activities towards the common goal of facilitating and supporting economic growth over the next ten years. The production of a 'Promoting Sustainable Economic Development Partnership Improvement Plan' (PIP) under the SOA has been a useful starting point in this respect but more can be done.

These partners will form a Sustainable Economic Growth Strategic Board with responsibility for overseeing the management and implementation of this work towards achieving our vision for the future of the South Lanarkshire economy and for reporting progress to the South Lanarkshire Community Planning Partnership. The section opposite identifies such a vision and sets out some guiding principles for its operation.

2. Our vision for the future of the South Lanarkshire economy



Over the next ten years our vision is for South Lanarkshire to have one of the strongest and most dynamic economies in Scotland, where businesses, communities and residents achieve their full potential and prosper.

We want South Lanarkshire to be a place that:

- Capitalises on its exceptional natural, physical and human assets
- Encourages creativity and innovation
- Grows local companies and meets fully their needs and aspirations
- Responds positively to new investment opportunities
- Secures productive employment for all its residents
- Addresses inequalities successfully
- Generates wealth and distributes the benefits widely
- Is renowned for the quality and capacity of its community infrastructure
- Supports robust partnership working involving the public sector agencies working in tandem with the private and voluntary sectors

The recent economic climate has resulted in complex, deep seated and significant issues for our area.

These will be explored in more detail in the next section and the solutions to these problems will require an integrated approach from partners, involving action across a range of fronts that are long term, sustainable and outcome oriented.

However despite these challenges, South Lanarkshire continues to be a successful business base for world-leading companies and a major contributor to the Scottish economy and there are a number of 'building blocks' in place which give us confidence that we can develop our economy still further and achieve our vision:



- The Shawfield National Business District, the Rutherglen Low Carbon Zone and Cuningar Loop sites within Clyde Gateway together have the potential to become a nationally significant business location
- South Lanarkshire is well represented in terms of the Scottish Government growth sectors and is home to many high performing companies within these sectors with the potential to grow even further and act as role models for others
- South Lanarkshire has helped manage one of the best performing Business Gateway contracts in Scotland, supporting over 5,000 start up businesses, and now has a well funded contract in place with the same provider which will provide an extensive range of start up and growth advisory services as well as a range of local services to respond quickly and appropriately to changes in the needs of the business base and accurately reflect the specific pressures felt by local businesses
- South Lanarkshire has invested heavily in the necessary infrastructure to support and promote economic development
- The Council's investment in its housing stock and in roads and transportation has been amongst the highest in Scotland and the area's learning and teaching facilities, primary and secondary schools as well as Higher Education (HE) and Further Education (FE) facilities, are some of the most modern and well appointed in the country
- South Lanarkshire has worked hard to ensure a ready supply of attractive sites and premises to meet the needs of a wide range of industrial and commercial end users, from large scale inward investors to small start up companies
- South Lanarkshire town centres are still attracting interest from the private sector, both in terms of investment in their upgrading but also in terms of securing their future prospects through initiatives such as Business Improvement Districts
- South Lanarkshire has a long and successful history of effective labour market interventions which have supported many people, particularly young people and certain vulnerable groups, into work or training either locally or further afield and onto the path of future prosperity for themselves and their families
- South Lanarkshire has a proven track record of competing successfully for external funding from a wide variety of sources and then using these resources timeously and wisely
- South Lanarkshire has a wide range of residential areas that are attractive places to live and provide a range of housing that is accessible, affordable and of a high quality. The area remains attractive to house builders and in turn its population is projected to grow
- South Lanarkshire has strong public sector bodies who recognise the important role that they can play in supporting local economic development in terms of employment, training and the local procurement of goods and services

As individual organisations we can't achieve our vision alone or all at once. Consequently we must engage with a wide variety of other potential partners and stakeholders and be seen to be aligning our actions with their plans, policies and strategies. The Community Plan has five overarching themes including sustainable economic recovery and development. The relationship between the Community Planning process and this strategy can be summarised as follows:

South Lanarkshire Community Planning Partnership



Sustainable Economic Recovery and Development



- Economic Strategy
- Regeneration Strategy
- Skills Strategy
- Youth Strategy
- National Planning Framework
- S.E. Business Plan

South Lanarkshire Council

- Local Development Plan
- Local Transport Strategy
- Sustainable Development Strategy
- Housing Strategy
- Rural Strategy
- Community Learning and Development Strategy
- Tourism Strategy

Regional

- Glasgow and Clyde Valley Development Plan
- Clyde Valley Community Planning Partnership Economic Strategy

At all levels these strategies and plans encourage partners in the public, private and voluntary and community sectors to work together to prioritise measures that will promote local economic development. In doing so the partnership's approach to the economic advancement of South Lanarkshire will be guided by a set of underpinning principles:

Equality

Partners will promote equality of opportunity and the elimination of discrimination.

Sustainability

We will seek to ensure a balance between economic, social and environmental well being.

Openness and transparency

We will be open in our dealings with all stakeholders, recognising our responsibilities to promote a just and equal society and respond to communities' needs.

Working with and respecting others

We will work together to achieve improvements in the economy recognising its contribution to the quality of life for our communities and citizens.

Engaging with communities

We will engage with all stakeholders, whether in the business community or communities of interest, to ensure our services respond to local priorities and needs.

Self-aware and continuous improvement

We will be open about our performance and identify areas for improvement, working together to achieve added value in delivering against our objectives.

3. The South Lanarkshire economy

Challenges and opportunities

Until the recent financial crisis, South Lanarkshire's economic position was stronger than that of Scotland as a whole, its wealth was growing faster, its unemployment rate was always lower and its employment rate was always higher.

However, in the period since 2008 the recession has hit South Lanarkshire harder than Scotland as a whole.

The unemployment rate since then has been above Scottish average and the gap has been widening, with around 9,000 people unemployed and claiming Job Seekers Allowance, long term unemployment is at its highest level since 1997 and the number of workless people estimated at just over 22,000.

In terms of employment, South Lanarkshire's rate was higher than in Scotland between 2004 and 2008 but then throughout much of 2009 and into 2010 it dipped below the Scottish average. Since then the rate has been steadily increasing and the latest employment rate showed that 73% of those aged 16 to 64 were working which was above the Scottish rate of 70.7%. There has been a significant fall in employment amongst the



younger age groups, down by a fifth, but a rise in older age groups (50+). And for those in work, the average hourly pay in South Lanarkshire is below the Scottish average and the gap has been increasing and there are estimated to be around 20,000 people in South Lanarkshire earning less than the 'living wage'.

The manufacturing, retailing and wholesale and construction sectors have been particularly affected by the recession. The banking, finance and insurance, distribution and hotels and restaurants sectors have performed relatively well in recent years.

The total amount of wealth* generated in South Lanarkshire grew steadily between 2000 and 2007 but has largely remained static since then. In 2012 it was £64.545 million - 4.27% of the Scottish total but this share has been declining since 2005. The productive sector (manufacturing, mining and utilities) and construction features prominently.

* Gross Value Added

Despite very encouraging early signs of recovery, significant issues remain to be tackled in relation to our local business base, our economic development infrastructure and the skills of our people.



Our local business base

The public sector partners have a key role in supporting the local economy through their employment and purchasing practices and in ensuring that there is an environment that is as supportive as possible to the near 9,000 active businesses that are located within South Lanarkshire. And for many years the partners have been committed to working closely in co-operation, integrating their activities and resources to maximise conditions that have encouraged and enabled local companies to be sustained, develop and grow.

However, there is no room for complacency. Recent feedback through our business needs survey showed that businesses would like improved communication with partners and perhaps there continues to be a measure of confusion over which bodies have responsibility for helping companies and what exactly they can do. It is essential that the range of support available through the partnership, and indeed internally within each of the organisations themselves, is joined up effectively, clearly communicated and understood.



There must be a flexible 'no wrong door approach' to potential growing businesses and their changing needs, with robust and appropriate referral mechanisms in place.

Ensuring that the various agencies providing support to businesses continue

to listen to companies and then have the ability to make a difference by providing the right conditions for business growth is a major challenge given the economic climate and the current low levels of economic output and market confidence. In these conditions getting access to funding from the lending institutions has been a particular problem for businesses.

There are particular challenges facing certain parts of South Lanarkshire. For example, access to services, skilled labour and markets can bring particular challenges to businesses in our rural area but at the same time it presents significant opportunities, especially in relation to tourism, leisure and food and drink. Securing and developing the role of our main employment centre of East Kilbride will be critical to the longer term future prospects of our local economy. Consequently the Council has established an economic taskforce to progress an action plan. And in relation to our rural area, there is the challenge of struggling communities, some of which have never really recovered from the closure of local mines and are often distant from employment and training opportunities.

But there are a number of other challenges that we face across the whole of our area in realising the balanced mix of thriving businesses that we seek.

The principal ones are set out on the opposite page.



Having a good understanding of the needs of employers and then providing a tailored response has been essential to successful outcomes.

Sectoral spread

In terms of wealth generation, the most important sectors in South Lanarkshire are retailing, specialised construction, civil and mechanical engineering, installation and repair of machinery and equipment and food and drink. So it is encouraging to see that the area continues to have a strong manufacturing base despite recent problems.

However, in relation to the Scottish Government's key growth sectors, although the area has recently seen a faster growth in these than Scotland as a whole, only a quarter of employment in South Lanarkshire was in these sectors in 2011. This is still below the national average. In terms of the share of total employment, the area is significantly more dependent on food and drink and energy than Scotland as a whole and less dependent on finance and business services and the creative industries.

Working with partners, the Council has led in some innovative and successful initiatives to promote the development of the food and drink and tourism sectors in South Lanarkshire. However, there is a recognition that we need to do much more to harness and support opportunities to develop all of the sectors where we are strong currently, including retailing, as well as increase our representation and employment in the national key growth sectors, building largely on existing assets and capabilities.

The continuing significance of agriculture to our rural economy must also be

recognised. 73% of the total land area is taken up with agricultural land use making a contribution of £55 million in Gross Value Added (GVA) in 2011 and employing 2,223 people in full and part time employment. Although only comprising 1% of all GVA and 1.5% of employment, this sector is responsible for managing nearly three quarters of the landscape and makes a major contribution in the supply sectors and in maintaining the social fabric in our rural areas.

SMEs and start ups

As in most areas across Scotland, small businesses are the bedrock of the economy of South Lanarkshire. Almost 82% of companies in South Lanarkshire employ 10 people or less and 75% employ 5 people or less, with over half of the growth in the economy between 2010 and 2011 being accounted for by companies of this size. Many of these businesses are sole traders or freelance consultants and the recent economic climate has seen a growth in the number of 'lifestyle' type businesses. Whilst these types of business are important and we want to encourage more of them, it is clear that we must focus our efforts on the development of those small businesses which have growth potential, helping them to take on more employees and be more competitive.

However, the majority of people still perceive setting up in business as being difficult and not for them. The most recent local survey of attitudes to enterprise showed that only 10% of people knew someone who had started

a business in the last two years, only 13% felt that there were good opportunities to start a business in the next six months and less than 30% believed that they had the knowledge, skills and experience to start up a business. There needs to be improved promotion of good role models and greater encouragement of entrepreneurship. Developing innovation and entrepreneurial skills from within companies' workforces is also vital.

Although the number and rate of new business start ups in South Lanarkshire in 2011 was the highest recorded since 2007, the fact that we are still behind the Scottish average is a cause for some concern and needs to be addressed. In addition the number of business failures in 2011 was the lowest since 2008 but again is still higher than the Scottish average and must be a focus of attention for the partners. A lot of personal and organisational investment in terms of time effort and money has gone into setting these businesses up and we need to help sustain those with growth potential that have a chance to make a positive contribution to the local economy, whether that be in relation to taking on additional employees, reaching new markets or developing new and innovative products or practices.

Access to finance

Notwithstanding some signs of improvement on the back of recent efforts by the UK Government, the Bank of England and the banks themselves, our market intelligence suggests that there remains a problem with access

to financial resources on reasonable terms for businesses, particularly in relation to the availability of working capital. Without ready access to suitable resources businesses can find it difficult to survive far less grow and the partners don't want good companies to fail simply because of a problem with cash flow. The partners need to assist companies in securing appropriate investment and in managing their finances better, for example through mezzanine finance and debt and credit control. Early intervention, preventative advice and pre-start care are all important in helping companies achieve a stable financial position.

Innovation and research and development

In order to keep ahead of the competition, companies need to invest sufficient time, money and resources into investigating new or improved products, processes or services. In South Lanarkshire the majority of research and development spend is in manufacturing, totalling £19.4m in 2011. However, this spend level ended a year on year decline from 2005, a trend that doesn't bode well for the future prospects of achieving a high value and vibrant economy. Much more needs to be done to understand the reasons behind this and to stimulate increased activity wherever possible and learn from best practice elsewhere.

Market reach

Encouraging increased levels of internationalisation and exporting by companies is a key national priority of the Scottish Government. As partners we also recognise the importance of this activity and the need to investigate how companies can best be supported in considering their market reach beyond South Lanarkshire to other parts of Scotland, the UK, EU or the high growth economies worldwide

Public Sector procurement and community benefit

The public sector organisations in South Lanarkshire let contracts for works, goods and services totalling many millions of pounds each year. These provide major opportunities for local companies to be sustained or developed, either through winning such contracts directly or by being part of the supply chain or a sub contractor to a main contractor. It is estimated that each £1 spent by a local authority with a small local business generates 63p of additional benefit for the local economy.

A lot of good work has been carried out over the last few years under the banner of the Supplier Development Programme (SDP) to make local companies more aware of public sector contracts and to increase their capacity to make them better able to respond to such opportunities. There has also been progress in structuring local procurement processes in such a way that local companies feature more prominently.

However, the partners accept that much more can still be done to improve performance.

Public sector procurement and development processes also offer the opportunity to secure wider benefits for the local community. Requiring contractors and developers to deliver such benefits can help communities achieve real, long term improvements in their position as well as securing best value. The list of potential measures is endless but includes the creation of skills and training opportunities (e.g. apprenticeships or on-the-job training), employment opportunities for unemployed people, supporting SMEs and social enterprises or engaging with local community groups or schools, in-kind support or participation in local events.

Some good progress has been made in securing such benefits, however the partners need to ensure that these are maximised locally. For example, the extensive development of windfarms and individual wind turbines across South Lanarkshire has had a significant impact on a number of our communities. In turn, a community benefit policy has been developed which has had considerable success in securing developer contributions from the energy companies.

The Council manages these under the Renewable Energy Fund (REF). This has enabled contributions towards a wide range of community based projects as well as partnership programmes aimed at

improving employability for unemployed people. The fund will continue to build upon its good work achieved over the last five years as the value of contributions continues to rise with the development of more sites enhancing the support this provides to a wide range of local initiatives.

Collaborative working

The local economy can only benefit from companies speaking to and working with neighbouring firms on their doorstep. This can save time, effort and money. The promotion of collaborative working, networking and inter-trading between local companies recognises the value of developing such strong local linkages. The partners must continue to support, and where appropriate develop, the mechanisms and bodies that currently exist to progress such links, including the Chamber of Commerce and the local business database.

Low carbon economy

'Transition to a low carbon economy' has been added as a new priority to the national economic strategy in view of the challenges and opportunities presented by Scotland's ambitious climate change targets enshrined in legislation through the Climate Change (Scotland) Act 2009. It is clear from 'Low Carbon Scotland' that meeting the targets will require extensive and far reaching action throughout Scottish society with implications for businesses as well as central and local government, the wider public sector, individuals and communities.

Key strategic issues include partners' carbon management plans, waste management, transport planning (ensuring it supports and facilitates economic recovery, regeneration and development in a sustainable way as well as the promotion of low carbon transport), energy efficiency and renewable generation and green business training and skills.

Social enterprise

Social enterprises trade products and services in the market place and exist to make a profit similar to any private sector business. While they are businesses first and foremost, they operate with social, community or environmental purposes as their key motivations and most important drivers. Currently there are around 50 social enterprises in our area that are recognised and actively supported by the Council and partners, for example through the Business Gateway.

The partnership recognises the need to create a supportive enterprise environment which encourages greater social entrepreneurial activity and targets those social enterprises that want to grow and develop their own capacity. There are many areas in South Lanarkshire where social enterprise could contribute to both service delivery and job creation. In this context a new South Lanarkshire Social Economy Partnership is in development which will have an improved understanding of the needs, scale and scope of such enterprises locally.

The physical environment

In a world in which there is competition to attract both people and business, the urban fabric matters a great deal.

This includes aspects of safety, cleanliness, environmental appeal and entertainment alongside the more obvious economic aspects of suitable accommodation, amenities and connectivity. The growth of e-commerce provides significant opportunities as well as threats.

Over the last decade or so the Council and its partners in the public and private sectors have been at the heart of a variety of major infrastructure projects and investments which are a very tangible response to the current economic circumstances as they either directly or indirectly support business and the wider economy. However, further investment is required, the scale of which suggests the need for collaboration with neighbouring authorities in the Clyde Valley.

Town centres

The partners have recognised the need to develop our towns and village centres in a way that will sustain them and bring them back to life. Given their significance to the quality of life locally, considerable efforts and resources have been targeted towards improving their attractiveness and competitiveness, for example through public realm schemes, joint ventures with private sector partners, marketing campaigns and the implementation of strict maintenance and cleaning regimes.

However, despite a significant level of investment over a long period in improving the shopping quality and experience of many of our centres, there remains continuing uncertainty over their future role as the change in the shopping habits of consumers towards shopping in retail parks, out of centre superstores and on-line continues unabated. The challenges facing our high streets, in common with many others across the country, have never been more acute, with vacancy levels increasing, the levels of footfall declining and the quality and mix on offer reducing.

The success of our towns cannot simply rest with the condition of their centres.

They must also offer suitable employment opportunities with an attractive and appropriate mix of housing, shopping, schools, civic and professional services, amenities, roads and transportation and environment.

Land and property

Despite economic and market conditions continuing to be poor, with short term occupier demand significantly reduced and private sector investment subdued, data suggests that the worst is behind us in terms of the industrial and commercial property market and that there is likely to be considerable supply needed to fill expanding demand levels over the period 2016-2022 in the West of Scotland, including 4m sq. ft. of office space. This being the case South Lanarkshire must now position itself so that a range of sites and premises of the highest standards are readily available for local businesses and for the highly competitive inward investment and business relocation market.

There are a number of strategic economic investment locations in our area which offer excellent accommodation or have the potential to do so, including Clyde Gateway, Poneil,

Hamilton International Park (HIP), Scottish Enterprise Technology Park (SETP) and Peel Park North. There are also a number of development framework sites, industrial estates and business locations that offer a range of properties of varying type and function to house employment opportunities.

The partners need to ensure that we maximise the potential of the strategic sites at the same time as responding to more locally identified gaps in provision for Small and Medium Size Enterprises (SMEs) and start ups. In many cases this may involve the need to upgrade older stock to meet new legislative requirements or remediate vacant, derelict and contaminated land due to South Lanarkshire's mining, heavy engineering and industrial past. From 2007 to 2012 there was an 18% increase in the number of vacant and derelict sites. Its presence, particularly chromium contamination at Shawfield within Clyde Gateway, continues to act as a major constraint to regeneration, can deter potential investors and impacts on the quality of life of many residents.

The economic landscape that the Clyde Gateway Urban Regeneration Company (URC) is operating within today is clearly very different to the one that existed at the time of its launch in 2006. The URC is now in a position where it can no longer depend upon block grant funding from the Scottish Government and partner agencies but now needs to bid for specific project funding to a range of public and private sector providers.

Roads and transport

The Council has invested significantly through its roads investment programme in the local roads network, particularly in our rural area. In addition strategic roads, such as the M74 extension and the Glasgow Southern Orbital, have been progressed as well as improvements to public transportation facilities, including Hamilton Bus Station, the Larkhall rail line and investment in park and ride schemes.

However, despite investments, and the recognition of the need to achieve a reduction in the rate of traffic growth and a modal shift of freight from road to rail, some investment is still required to support sustainable economic growth. Only by doing so will key strategic linkages be made between markets, delay and congestion minimised and the free flow of people, goods and services facilitated.

Housing

The availability of a range of good quality housing is critical to attracting investment and people into the area as well as

retaining a skilled workforce. Therefore it has to be a key component of any economic development strategy for the area. As in the case of commercial and industrial property, the market for housing has been difficult since 2008. The squeeze on mortgage lending, particularly for first time buyers, as well as the reduction in the value of properties has seen a stagnation in market conditions and a large number of developments have been stalled.

However, through schemes emerging to restore capacity in the private sector, there are potential signs of recovery in certain localities and for certain types of property. This momentum needs to be nurtured and sustained through a continuous and effective supply of residential land that delivers a range of housing of a suitable type, size and affordability and also by tackling any infrastructural obstacles to potential growth areas.

In addition, the public sector grant subsidy targets for the next five years are around £27m which should deliver around 1,000 homes. Linking the availability of good quality homes to new places of employment has been a strength in recent years in increasing net migration to the area. Therefore maintaining this link between housing and jobs is key to growth.

Digital connectivity

In relation to digital connectivity, consideration has been given to the

extent of Next Generation Broadband (NGB) coverage in the context of the Scottish Government's plans to contract with private sector providers to deliver NGB to between 85% and 90% of premises in Scotland by 2015 and to all premises by 2020. As part of this process the Council identified a number of economic development priority areas for investment in NGB within South Lanarkshire in recognition of the significance of high speed connectivity to the competitiveness of local businesses in a global economy and in the growth of e-commerce and online trading.

An open market tendering process for all parts of Scotland outside of the Highlands and Islands was undertaken by the Scottish Government to undertake this work. This was won by BT. Their agreed contract suggests that around 96.8% of South Lanarkshire premises will have NGB by the end of 2017, including most of our rural area. However, the detailed planning for the delivery of this on the ground has still to be undertaken and we need to continue to give consideration to local solutions that will help address any potential gaps in planned provision or that can improve provision.

Utilities

Whilst in general terms there are no significant infrastructure constraints that would prejudice the economic development potential of the area, it is recognised that there will still need to be major investment in water, drainage, power supply and telecommunications

networks to ensure they are fit for modern legislative standards, meet the needs of domestic and business users, facilitate future development and improve our environment. Fortunately a variety of plans are being progressed to address these identified needs led by a range of partner agencies.

Environment

Some areas of South Lanarkshire still suffer from the legacy of its mining, heavy engineering and industrial past. This can blight communities, deter potential investors and constrain bringing sites back into some form of productive use. The environmental quality of some of our towns and neighbourhoods is also a cause for concern. Action needs to be taken to address these issues.

But we also have a series of high quality connected greenspace and many parts of our natural, built and historic environment, particularly in our large rural hinterland, are very attractive. Areas such as the Clyde and Avon Valleys, New Lanark and Chatelherault are important assets in the promotion of the wider area for inward investment and tourism activity. As such we need to ensure that these diverse resources are readily accessible but suitably managed, protected and enhanced for future generations to enjoy.

Jobs, skills and learning

Supporting people into work and reducing unemployment has been a key priority for the partnership in South Lanarkshire for many years.

The partnership is committed to continue close cooperation to integrate its resources to maximise outcomes for local people.

By combining these local resources with UK, Scottish Government and EU resources, much more can be achieved.

Skills development

Ensuring the right skills are in place and getting people into work is a major challenge in a period of slow jobs growth, where competition for available opportunities is particularly acute. The number of redundancies experienced over recent years has added to the growing number of people on unemployment benefits, adding pressure to the prospects of those with limited experience, such as the young and those with low skill levels or with significant barriers to overcome. But with the right sort of targeted support these vulnerable groups can secure a job and make progress in their working lives.

There have been improvements in skills development in South Lanarkshire but

much more work has to be undertaken to make further progress. There is a continuing need to motivate and support our people to become appropriately experienced and skilled if the gap between our qualification levels and those of Scotland as a whole are to be addressed. This can take many forms, including learning in the community.

The partnership will promote the take up of adult learning through delivery of its community learning and development strategy. This aims to work with individuals and groups using a range of formal and informal methods helping people bring about positive change in their lives through participation in learning and community action. This is often a precursor to successful progression into the labour market.

Addressing business needs and employer engagement

We need to improve how we engage with local employers and adopt new, innovative and flexible approaches to support and encourage them to recruit new employees. But whilst tackling unemployment is important, there is equally a need to ensure that those

in work are given opportunities to contribute more through ongoing review and enhancement of their skills.

Understanding the changing and potential future requirements of local companies is essential in developing effective response mechanisms which allow opportunities to be identified and quickly acted upon for the mutual benefit of companies and individuals in work or looking for work. Ensuring employers receive a clear and co-ordinated service which maximises positive outcomes from partnership activity is also very important.

The partnership is particularly keen to harness opportunities in growth companies and in growth sectors. For example, the transition to a low carbon economy will provide businesses with an opportunity to adapt to take advantage of new market opportunities and mitigate the impact of national and international policies that are gradually being introduced to increase the cost of emitting carbon. Developing relevant skills and training is a key area where the partnership has a role to play in supporting this business transition. The number of students studying STEM

courses (i.e. IT, computer science, environmental studies, sciences and maths, engineering and oil, mining, plastics and chemicals) has increased markedly over the past ten years.

To take advantage of opportunities in the energy sector the partnership has created an innovative energy academy that builds a sustainable infrastructure to develop a highly competitive skilled workforce. This will cover wide ranging activity, creating training and employment opportunities linked to structural capital and other key investments in the local area. As it grows in scale, the academy will help stimulate economic growth and provide unemployed South Lanarkshire residents with the right skills to progress in a diverse and competitive labour market. A more detailed description of the academy and its work can be found later.

Youth employment

In line with many areas within EU countries, the numbers of young people who are experiencing unemployment is a major cause for concern. Although amounting to around 17% of the working age population, 16 to 24 year olds recently represented just under a third of all claimants for Job Seekers Allowance. In addition, the number of young people in the 'More Choices, More Chances' (MCMC) group has been growing in South Lanarkshire since 2008 and in 2011 was the highest ever recorded, accounting for the highest share ever of the Scottish total.

School leaver destination results have shown an encouraging trend over the last six years with increasing numbers moving into a positive destination. This reflects an intensive and sustained response that the partnership is making towards wider efforts to minimise the longer term damage that could result from long periods of unemployment amongst young people. Mainstream secondary education has a key role to play in preparing young people for the transition from school to the world of work and this is a core element of the senior phase of Curriculum for Excellence. A range of relevant services work closely together to improve this process and to deliver positive outcomes for our young people. There is a need to continue to strengthen the links between schools, businesses and employers.

Learning and training infrastructure

Through the Council's primary and secondary schools modernisation programmes and the recently completed new builds of South Lanarkshire and Motherwell Colleges, the area has some of the best quality teaching and learning facilities in the country. However, although training activity in South Lanarkshire tends to be higher than in Scotland, participation has been falling recently in higher and further education. We need to ensure that we capitalise on this substantial investment, as well as future investment in the pipeline at the University of the West of Scotland.

This investment, and the process of establishing a regional structure for the further education sector in Lanarkshire, present major opportunities to have an increased focus on provision that is clearly directed to meet the needs of the local business base and the ever changing jobs market as well as on the effective and efficient delivery of education, learning and vocational training.



Reflecting the challenges and opportunities set out above, the work of the strategy, therefore, will be organised around three broad development themes.

These are covered in detail in the next section, setting out the priorities, indicative actions and outcomes under each.

4. Key development themes

- Business development and growth
- Physical infrastructure and place
- Skills, learning and employability

Business development and growth



In order to achieve this, the partners have identified a range of priorities and indicative actions which they wish to progress, resulting in a series of outcomes. These are set out below.

Maintaining and improving the strength of South Lanarkshire's local business base is now even more crucial if we are to create a strong demand for local labour and products and in turn make a significant contribution to the local and national economy. In order to have a competitive, resilient and sustainable economy, South Lanarkshire should aim to have a diversified and competitive local business base, involving a range of sectors and including a balanced mix of multi-nationals, high growth companies, SMEs and start ups, which are active in a wide range of markets - local, regional, national and international.

Key priorities

- Promoting a culture of enterprise
- Increasing representation of key growth sectors
- Getting the right information and support to people that do want to set up in business and provide suitable aftercare services to improve their sustainability and survivability
- Targeting existing small businesses that do have growth potential
- Securing the position of our employment locations, particularly our main employment centre of East Kilbride
- Improving business access to working capital and appropriate support from financial institutions
- Responding quickly and appropriately to changes in the needs of the local business base, reflecting the specific pressures felt by them
- Ensuring that support services at a national and local level are of the highest quality, joined up effectively and monitored rigorously, with appropriate referral mechanisms in place between business development and employability services
- Promoting research and development activity, innovation and new product development
- Assisting companies to extend their current market focus
- Providing support and ready access to public sector contracting opportunities
- Facilitating and promoting opportunities for collaborative working, networking and inter-trading between local companies
- Promoting opportunities around the transition to a low carbon economy
- Developing the social economy

Indicative actions

Supporting business creation and development

- Working with the national Business Gateway services, North Lanarkshire Council and the contract holders, Lanarkshire Enterprise Services, the partnership will deliver the £6.9m Business Gateway contract's ambitious targets in relation to establishing more new businesses in the area (1,200 volume starts of which 250 higher value p.a.) with more surviving over a year and three year period. Also there will be an increased focus on identifying growth companies with opportunities for higher contribution to the local economy (200 p.a.) and on the provision of a range of flexible local services which will be constantly reviewed to meet local company needs but focused on the delivery of recovery / sustainability advisory support, aftercare, expert help or specialist sectoral support and localised bespoke training workshops
 - The Council will continue to deliver a range of business support services and products that will be complementary to and link into the Business Gateway contract, constantly reviewing these in order that they continue to best meet local business needs
 - Scottish Enterprise (SE) and the Council will jointly undertake a detailed review of the local business base using local, regional and national knowledge, expertise and intelligence to identify potential growth opportunities in South Lanarkshire (within or out with the Scottish Government's growth sectors), as well as the wider travel-to-work area
 - SE will regularly review its account managed portfolio to identify companies with growth potential and work most intensively with them to help access appropriate products and services
 - Encouragement will be given to businesses considering exporting to new export markets as an option, or increase exporting to more countries e.g. through the smart exporter programme
 - A supportive 'all service' approach will be fostered within the Council. This will include the provision of a business support pack which will provide businesses with essential information and key contacts about all the support and regulatory services essential to their operation, including planning and building standards, roads, property, housing, trading standards, licensing, council tax and rates as well as key partner contact details
- Partners will participate in programmes that improve the capacity of local companies to access public sector contracts e.g. the Supplier Development and will also engage with those responsible for relevant national and local procurement processes to improve and streamline these, within legislative constraints, in support of this objective
 - The partnership will review the current nature of community benefit policies, seek to learn from best practice adopted within and outwith the area and implement any changes necessary to maximise such benefits in local procurement processes
 - Representations will be made on behalf of the local business base to appropriate governmental bodies and financial institutions on the continuing issues with regard to the lack of affordable funding available to them to allow them to continue in business or grow. Also the partners will continue to ensure readily accessible 'gap' funding through such programmes as the West of Scotland Loan Fund
 - Working with relevant partners in the public and private sectors, schools, colleges and communities, support will be given to initiatives that promote entrepreneurship e.g. the 'Young Apprentice'
 - Support will be given to any organisation, such as the Business Gateway, Lanarkshire Tourism Association, Lanarkshire Chamber of Commerce and Scotland Food and Drink, who seek to promote collaborative working, networking and inter-trading between local companies and also to the promotion of events (annual Business Excellence Awards, Lanarkshire Business Week) and publications (Lanarkshire Business Guide and Directory)
 - In addition to supporting our indigenous companies, the partners will continue to market South Lanarkshire to inward investment and expansion opportunities and will develop a partnership protocol together with the private sector to attract international and high growth businesses into our area

Growth sectors

- We will engage with the private sector and partners - Scotland Food and Drink, Scottish Enterprise, Scottish Enterprise West Food Forum, and Scottish Manufacturing Advisory Service - to improve turnover, profitability and employment in the food and drink sector and contribute to the national strategy targets
- A pilot project with the food and drink sector will be implemented to establish sector needs and an action plan
- The Lanarkshire Tourism Action plan will be progressed with the aim to increase visitor expenditure, visitor numbers and employment through partnership working with the Lanarkshire Area Tourism Partnership, Lanarkshire Tourism Association, VisitScotland and North Lanarkshire Council

Social enterprise development

- We will prioritise support to enterprises which respond to market failure, create employment opportunities, and provide services which will help to drive forward a commitment to the promotion of fairness
- A strong South Lanarkshire social economy partnership will be established and a joint working/consortium development plan produced
- A range of support measures will be adopted, including capacity building programmes, networking/learning opportunities for new aspiring social enterprises, the promotion of inter-trading activity and the identification of public sector contracting opportunities

Low carbon

- The partners will examine ways to help businesses to adapt and grow through resource efficiency, new low carbon products and services and stimulating the private sector supply chain

Innovation and commercialisation

- Opportunities to innovate will be maximised through encouraging more businesses to invest in research, development and innovation. We will increase the marketing and the take up of innovation support and networks, advice and grants throughout South Lanarkshire
- We will work with private sector retailers and the Lanarkshire Chamber of Commerce to further develop the Business Improvement District approach already in place in Hamilton Town Centre and potentially other town centres to maximise the retail and employment opportunities for the wider economy
- Support will be given to prospective town centre retail and other compatible non-retail businesses and we will explore and encourage the provision of private sector led initiatives across our town centres

Outcomes

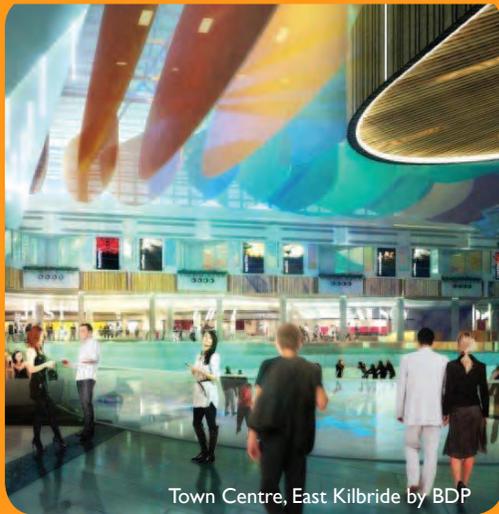
Our aim is to deliver outcomes which include the following over the lifespan of the strategy:

- Increase share of total Scottish Gross Value Added (GVA)
- Increase registered businesses per 10,000 adults to at or above Scottish average
- Increase the new active business start-up rate to closer to the Scottish average – around 100 more p.a.
Improve the three year business survival rate to be closer to the Scottish average – around 1% more surviving
- Increase number of businesses to trade outwith Scotland
- Increase business spending on research and development
- Improve the take up of Scottish Government enterprise support by South Lanarkshire businesses
- Increase the numbers employed in the Scottish Government's key sectors in South Lanarkshire
- Increase visitor expenditure by between 2% and 4% p.a.
- Reduce greenhouse gas emissions of the South Lanarkshire area
- Encourage take up of appropriate learning and training opportunities to support a low carbon economy

The Strategy in Action - Case study 1

East Kilbride Taskforce

In response to declining manufacturing employment levels in East Kilbride over a number of years, and the decision of Rolls Royce to relocate their operations in 2015 out of the town, the Council agreed to establish and lead an East Kilbride Taskforce with key partners and stakeholders in autumn 2012 to ensure that the town continued to play an important and pivotal role in the South Lanarkshire and the West of Scotland economies.



The Taskforce meets regularly and currently has representatives from the Council, Scottish Enterprise, Skills Development Scotland, South Lanarkshire College, Business Gateway, The Lanarkshire Chamber of Commerce and the owners of East Kilbride Town Centre, East Kilbride Investments Ltd, a consultative stakeholders group

involving a wider group of partners was also established to inform its work.

One of the first actions of the Taskforce was to commission a socio-economic study to identify the town's strengths and weaknesses and consider the areas of opportunities that could be developed. Although identifying a number of challenges and issues facing the town, this report identified that East Kilbride remains well placed to compete within the current economic climate, provided its core strengths and assets are capitalised upon. This will involve a level of investment, by a range of stakeholders, in these assets and an increase in marketing and external awareness through appropriately communicating to potential

investors both within the town already and those seeking to locate within it.

In parallel to the work on the socio-economic study the Taskforce has undertaken a series of reviews relating to identifying opportunities to better promote and capitalise on the town's many existing assets, agreeing a set of new measures to help stimulate new business growth and the attraction of new investment and examining the availability of funding from partners and other sources.

The outcome of this work has been the creation of an action plan focused around four key themes:

- A vibrant town centre
- A competitive business location
- An attractive location to live, work and relax
- An education and skills centre



A vibrant town centre

The plan proposes significant investment by the town centre owners, which aims to secure its position within the hierarchy of retail locations within the West of Scotland, as well as additional investment by the Council in the refurbishment of the ice rink and by Lifeskills Centres, Skills Development Scotland, Routes to Work South and the Council in a National Skills Academy.



A competitive business location

The plan contains a number of work streams ranging from improvements to business premises through to the development of strategic investment sites and increasing local business to business opportunities. The taskforce has seen an extremely positive response from the business community in terms of their loyalty to the town and optimism for the future of both East Kilbride and their businesses.



An attractive location to live, work and relax

The plan seeks to better promote the many positive features of the town to potential inward investors and local people alike. East Kilbride is an extremely attractive place to live with the private housing stock offering a range of quality housing with easy access to a full range of amenities. The quality of education provided within the town, the leisure opportunities and the strong sense of community are all important factors in its past, present and future success.

An education and skills centre

The plan includes employability programmes for the town, particularly focused on getting young people into jobs. The town has many assets in relation to the skills and learning agenda - high performing schools, South Lanarkshire College, a strong and well trained workforce. All of these provide a firm foundation to support those businesses who wish to grow or locate in the town.

Despite these significant positive aspects of the town, there remain challenges in relation to the social rented housing stock, perceptions from those outwith the town in relation to its accessibility and opportunities and a need to convert the high levels of education attainment into similarly high levels of employment, particularly for young people.

East Kilbride is well placed to continue to attract strong levels of investment in the short, medium and long term. However, in order to ensure that the town is able to thrive, the initiatives identified within the action plan need to be progressed in order to support further investment and secure East Kilbride's position as a major economic hub within the West of Scotland.

Physical infrastructure and place



As partners we wish to achieve a number of outcomes by pursuing a wide range of key priorities and actions. These are set out below:

An attractive environment and an infrastructural base of a suitable quality and capacity are fundamentally important to support the attraction and growth of companies. Without continuous investment in upgrading and developing these assets, including our roads, public transportation, housing, educational facilities, utilities, digital connectivity and business infrastructure, then South Lanarkshire's future competitiveness could be compromised.

Key priorities

- Ensuring that town centres are fit to support the economic and social aspirations of their communities and can continue to play their part in providing them with sustainable access to the goods and services they need
 - Supporting the implementation of the Clyde Gateway Operating Plan to 2016 and working with the URC, other member partners and the private sector to secure its longer term sustainability
 - Supporting the development of other strategic economic investment locations, development framework sites and appropriate business locations for SMEs and start ups
 - Tackling vacant, derelict and contaminated land
 - Completing key strategic roads and transport infrastructure projects
- Ensuring that the delivery of all forms of housing is promoted and supported to meet demand across South Lanarkshire and to increase supply, working in partnership where appropriate
 - Identifying and helping the delivery of appropriate locally based solutions to improve digital connectivity
 - Supporting and participating in the development of plans to develop local infrastructure systems and networks
 - Protecting, developing and promoting South Lanarkshire's environment, unique landscape, cultural and built heritage and green network

Indicative actions

Town centres

- In recognition that each town centre has its own place within a hierarchy, the partners will work towards an action plan for each town identifying how it can be 'the best it can be'
- Working closely with private sector owners and developers, the partners will focus on retaining a strong core in our town centres and support investment proposals which seek to deliver a mixture of uses compatible with their role as commercial and community focal points
- The partners will consider the action points arising from the review of town centres by the Scottish Government and make appropriate investment in our town centres that aims to improve their operation and attractiveness e.g. wi-fi provision, incubator units, reversing pedestrianisation schemes
- The private sector led Hamilton Business Improvement District (BID) will be implemented and support given to similar initiatives in other town centres
- Town centre groups where appropriate will be supported in our area with broad representation from local businesses, retailers and community groups
- The partners will work with retailers and owners to support initiatives and events that seek to better market and promote our town centres within their local catchment area and more widely

Business locations

- A survey of the industrial and commercial property supply in South Lanarkshire will be commissioned, examining the range and quality of this provision (including energy performance details) as well as the needs of businesses. This will help inform the investment decisions of business property owner occupiers and private and public sector landlords alike in order to ensure that the best and most suitable property is available
- We will continue to work as partners to promote the industrial sites and locations in our area to inward investors and specifically we will refresh the Lanarkshire.com website to ensure that it promotes our area in the best light possible to potential investors
- The partners will encourage and support suitable public/private joint venture developments e.g. a warehousing and distribution park proposal at Canderside in Larkhall
- We will continue to invest in the provision of business property in the rural areas and seek to develop and enhance locations that have the capacity to provide suitable opportunities for local businesses e.g. at Caldwellside in Lanark, Castlehill in Carluke and at New Lanark

Vacant, derelict and contaminated land

- The current vacant and derelict delivery plan will be implemented and a case will be presented to the Scottish Government for continuation of this funding through the development of a new delivery plan

Infrastructure

- The Council will work with neighbouring authorities in the Clyde Valley area to examine the opportunities presented through the 'City Deal' process for securing major investment in our area's transport, regeneration and housing infrastructure
- The Council will continue to deliver on its roads investment programme and lobby for the resources to enable the completion of new strategic road and public transport infrastructure identified in the local transport strategy
- The Council will work with the Scottish Government, broadband providers and local communities to examine the options to bring next generation broadband to areas of South Lanarkshire which will not have coverage through planned rollouts
- The Council will work with private and public sector providers to continue to improve the range, quality and attractiveness of housing available locally and meet identified needs through maintaining a sufficient level of marketable housing land
- We will participate in relevant partnership structures to deliver necessary improvements to infrastructure systems and networks, for example the Metropolitan Strategic Drainage Partnership whose vision is to transform how the city region thinks about and manages rainfall to end uncontrolled flooding and improve water quality, as well as support the plans of providers, for example Scottish Power's plans to upgrade a large proportion of its ageing network through its Energy Network Business Plan 2015-2023

Environment

- We will participate in and support appropriate area and regional partnerships and bodies which aim to safeguard or enhance our green network, greenspace and natural and historic environment and that make a vital contribution to our economic wellbeing and quality of life e.g. the Clyde and Avon Valley Landscape Partnership, the Central Scotland Green Network, the Glasgow and Clyde Valley Green Network Partnership

Outcomes

Our aim is to deliver outcomes which include the following over the lifespan of the strategy:

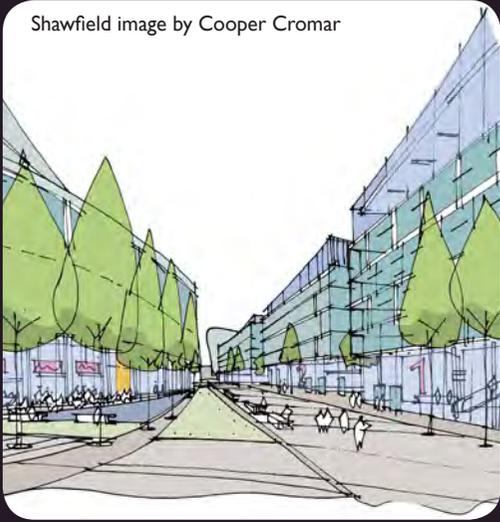
- Reduce percentage of road network that should be considered for treatment to below the Scottish average
- Reduce percentage of driver journeys delayed by congestion to 10%
- Reduce percentage of derelict land to under 0.2% and vacant, derelict and contaminated land by 5% p.a.
- Maintain the supply of employment land
- Reduce town centre vacancy rates

The Strategy in Action - Case study 2

Clyde Gateway

Established to undertake the regeneration of 840 hectares across the northern part of South Lanarkshire and the east end of Glasgow, the Clyde Gateway Urban Regeneration Company (URC) is a partnership between South Lanarkshire and Glasgow City Councils and Scottish Enterprise, working with the Scottish Government.

Shawfield image by Cooper Cromar



and commercial heartland of South Lanarkshire. It is served by the M74 motorway with three dedicated four-way junctions as well as first-class rail connections including three modernised stations.

Much of the early work in what will be a twenty-year regeneration project has focused on land assembly and remediation but there are an ever-increasing number of highly visible physical improvements being realised through a carefully managed development pipeline. The sheer size and ambition of Clyde Gateway is of immense national significance, socially and economically, as was acknowledged by the Royal Institution of Chartered Surveyors naming it as the top regeneration project in the UK in 2013.

Together the partnership will drive forward £1.5 billion of investment, firmly establishing the area as a hub of business activity.

The Clyde Gateway area is a national asset partly located in Scotland's largest city and partly in the industrial

Within the South Lanarkshire boundary of Clyde Gateway, three major development opportunities are being progressed under the banner of the URC:

- Rutherglen Low Carbon Zone (RLCZ), Farmecross
- Cuningar Loop
- The National Business District, Shawfield

The National Business District, Shawfield



Rutherglen Low Carbon Zone (RLCZ), Farme Cross

This scheme promotes sustainable business space development on a 4.9 hectare site, close to Rutherglen town centre, with excellent connectivity and public transport linkages. With planning consent secured for up to 150,000 sq.ft of Class 4.5 and 6 business space, all earmarked to achieve BREEAM Greenprint Exemplar status, development activity, on what is one of the key priority sites within the area, is at an advanced stage.

Clyde Gateway has already committed £5.7 million of expenditure to undertake site remediation and install new infrastructure, all of which will be completed by July 2014, while a new £6 million, 40,000 sq.ft office development will be completed by 2015. The further re-development of the site, which will utilise remediated industrial areas and what were formerly railway sidings lying adjacent to the M74, will be carried out on a phased basis.

RLCZ is forecast to bring 700 jobs to the burgh with the investment in green technology underlining a commitment to a low carbon economy and helping to meet commitments enshrined in Climate Change legislation.



Cuningar Loop

Cuningar Loop is a 30 hectare area of vacant and derelict scrub land on the banks of the River Clyde less than a mile from Rutherglen Town Centre. Most recently used as a landfill site in the latter half of the 20th Century, the Cuningar Loop has access difficulties that restricts public usage, but all that is set to change.

The site was acquired for regeneration purposes by the Council in 2007 and later transferred under the Members' Agreement to Clyde Gateway. Half of the site is now being developed through an innovative partnership with the Forestry Commission Scotland (FCS) and the investment of almost £6.7 million will transform this hidden asset, with extensive riverside frontage, into an urban woodland park. The development received widespread local community support during an extensive consultation process and the aim is to create an asset that will provide opportunities for people from all over Scotland to access and enjoy high quality countryside in an urban setting with a range of health, educational and skills benefits.

The woodland park is a key component of the 2014 Commonwealth Games Legacy, with a new pedestrian and cycle bridge linking it with the Athletes Village, the Clyde Walkway and the National Cycle Route on the opposite bank of the river. FCS will have responsibility for the management and operation of the park while Clyde Gateway will actively seek a development partner for the remaining half of the site.

The National Business District, Shawfield

The potential to contribute to growth in Scotland's economy is one of the key priorities currently being developed and delivered on the ground by Clyde Gateway, and the delivery of the National Business District at Shawfield, with its unrivalled location on the banks of the river and adjacent to a main junction on the M74, is central to job creation.

The latter half of 2013 saw four separate construction contracts, with a value of over £16 million, get underway at Shawfield. This first phase of activity will address a number of issues, not least the legacy of chromium contamination left by the 'heavy' industrial uses that were prevalent throughout this area in the 19th and 20th centuries. This investment will also assist with flood prevention measures, improve the public realm, create new roads and entry points into Shawfield and construct a new pedestrian bridge across the Clyde to the modernised railway station at Dalmarnock.

The National Business District at Shawfield will be a vibrant and sustainable environment for business as Scotland makes the transition to a low carbon economy with the intention that the first occupants will move in by late 2015.

There is an integrated masterplan for a 63 hectare site in place with four distinct delivery phases to be implemented over the course of the next 10 - 15 years. The overall aim is to provide transformational change in the form of 352,000 sq.m of new office, business and industrial workspace which will be complemented by a range of retail and leisure components servicing the thousands of new jobs that the area will host. Development on this scale rarely happens outwith our main urban conurbations and the bold vision for the area has built in flexibility to accept and react quickly to changes in market drivers and business space models.



National Business District image by Cooper Cromar

Learning, skills and employability



The nature and level of skills, and the educational achievements that people have, are crucial determinants of their prospects of getting and sustaining employment. In order to compete effectively, South Lanarkshire's economy needs to have a labour supply which is well trained and qualified and that meets the needs of a modern economy.

The partners wish to prioritise certain areas of activity and actions which will meet these needs and produce positive outcomes for the local economy. These are as follows:

Key priorities

- Through its Routes to Inclusion and More Choices, More Chances Partnerships, continue to tackle unemployment, giving people, and specifically young people, a chance to participate in the labour market through well co-ordinated employability support services
- Through appropriate employer recruitment incentives and other measures, ensure young people in particular are prepared and assisted to gain work experience leading to sustainable jobs that allow future progression
- Encourage more young people and adults to take advantage of community based learning, work related learning and training opportunities that lead to successful entry to the labour market
- Improve our engagement with employers and promote services that encourage companies to upskill existing employees and recruit new staff particularly from priority client groups
- Encourage employers to invest in their workforce, including the development of ITC skills and soft skills within the workplace
- Streamline the customer journey and improve coordination of partnership support for unemployed people seeking work
- Encourage take up of training and education in key sectors capitalising on investment in key capital projects that contribute to sustainable economic development
- Develop better intelligence on skills needs in growth industries and introduce innovative partnership models that improve access to opportunities for job seekers
- Support the University of the West of Scotland and the emerging regional further education college federation to further develop as centres of learning excellence that make a demonstrable contribution to local economic growth
- Encourage take up of tertiary education in low carbon related courses from the current share of around 20% and focus on stimulating growth in recruitment in key sectors such as energy
- Support the further development of work-based learning in school and post school environments to enable young people to make a more effective transition into productive work and respond to the needs of industry and the wider economy
- Improving achievements in skills and learning giving those furthest from the labour market the chance to compete for opportunities

Indicative actions

Supporting young people

- We will aim to prepare young people in schools for the world of work by taking forward key aspects of the senior phase of curriculum for excellence, particularly the development of skills for learning and life and work
- As part of our delivery of 16+ learning choices and commitment to providing 'Opportunities for All', the partners will aim to deliver an appropriate opportunity for all 16-19 year olds in post-16 education, training or employment providing more than 3000 opportunities each year to reflect demand
- We will continuously review levels of demand and effectiveness of services for young people seeking to enter employment education and training and will revise and implement annual youth employment action plans on a partnership basis to maximise positive outcomes
- We will work to further develop effective tracking to ensure positive progression for young people through implementation of the Skills Development Scotland (SDS) data hub
- Recognising its demand-led nature amongst employers and over 1700 starts in 12/13, we will promote the take-up of modern apprenticeships by South Lanarkshire organisations

Enhancing employability

- Building on the success of its long standing successful joint working, the partnership will seek to maintain its £5 million per annum package of programmes supporting 1500 unemployed people into sustainable jobs in 2012/2013
- We will further develop the South Lanarkshire strategic skills pipeline enhancing processes, such as assessment and referral, to improve the experience and positive outcomes for people supported on their path towards sustainable employment
- Building on national programme investment levels by SDS in training and skills, the partnership will support the implementation of the employability fund to enhance progression to work
- Through our joint employer engagement approaches we will aim to help employers to develop their businesses and recruit new employees through effective co-ordinated partnership support

Developing community based, higher and further education and learning

- Through the four locality community learning and development partnerships, we will deliver learning activity to help people to progress towards the labour market
- Through New College Lanarkshire and South Lanarkshire College, we will continue to promote and invest in technology, infrastructure and innovative approaches to learning and teaching, supporting more than 8000 South Lanarkshire-based learners per annum providing more than 3500 full time equivalent places
- We will support the University of the West of Scotland to further develop its industry links, assist with the expansion of opportunities for student internships and ultimately to further improve access to high quality jobs for its graduates
- We will further develop partnership working between schools, University of the West of Scotland, the further education colleges and third sector agencies to generate entrepreneurial activity that encourages more young people to start up in business

Outcomes

Our aim is to deliver outcomes which include the following over the lifespan of the strategy:

- An increase and maintenance of the employment rate above the Scottish average
- Maintenance of median earnings for employed residents above the Scottish average
- A reduction in the claimant count amongst 16 - 24 years olds to the Scottish average with this being maintained
- A reduction in the percentage of 16 - 64 year olds in receipt of out of work benefits
- A reduction in the percentage of 16 - 64 year olds with low or no qualifications
- An increase in the percentage of school leavers in sustained positive destinations equal to or above the Scottish average
- An increase in the percentage of looked after school leavers in positive sustained destinations

The Strategy in Action - Case study 3

The South Lanarkshire Energy Academy

The South Lanarkshire Energy Academy is not a physical building. It is a partnership process involving the Council, HIE and FE establishments and private sector companies in this growing sector which aims to harness training and employment opportunities for local unemployed people so that they can take full advantage of both local and national labour market opportunities.



The energy sector is one of Scotland's key economic drivers with oil, gas and renewable energy making a significant contribution to the economy. Abundant energy resources, coupled with ambitious targets to reduce the nation's carbon footprint, provide substantial opportunities for job creation and investment in Scotland.

The move to low carbon technologies and Scotland's pioneering developments in offshore, marine, smart grid development, as well as the requirement to make businesses and buildings more energy efficient, will provide a sustainable skills base for the future.

South Lanarkshire, through its heavy industrial history, has a strong skills base in engineering and related sectors. However, the decline in manufacturing and associated sectors over the past years towards service industries has resulted in a diminishing talent pool and reduced training in occupational areas such as engineering.

The academy has seen some significant results to date, training 150 people in various occupational areas ranging from energy assessors, welders, fabricators, renewable technology installers to technical engineers. 70% of those supported have entered employment or progressed to further training where appropriate.

The academy is working with both further and higher education establishments to ensure bespoke packages of training are implemented to meet the needs of industry. It is widening access to participation to encourage a new pool of talent and entrants into the industry whilst providing transition training to up-skill recently made redundant workers to move into the sector to secure employment.

The academy is working with local, national and global companies and their respective supply chains to help identify the skills required going forward. In some instances businesses' specialist skills base are not being met by current training providers. The energy academy is proactively working in partnership with these companies to collate a training needs analysis to ensure training meets industry regulations ultimately leading to increased employment opportunities for local people.

We plan to expand the energy academy to help approximately 170 unemployed people per annum gain industry led training and qualifications to meet the demand of the booming energy sector and its associated subsectors with an estimated annual investment of £625,000.



EcoCampus, Hamilton International Park

5. Implementing the strategy

Partnership and delivery



This strategy is part of the broader strategic framework through which the South Lanarkshire Community Planning Partnership aims to deliver its overall vision as expressed in the Community Plan to ‘improve the quality of life for all in South Lanarkshire’ by ensuring equal access to opportunities and services that meet people’s needs. It contributes to the delivery of one of its overarching aims i.e. ‘ensuring sustainable economic recovery and development’.

Key partners in this work will include:

- South Lanarkshire Council
- Scottish Enterprise
- Skills Development Scotland
- Department for Work and Pensions
- FE Colleges
- NHS Lanarkshire
- University of the West of Scotland
- Police Scotland
- Business Gateway Lanarkshire and the wider business community
- The Community and Voluntary Sector
- The Lanarkshire Chamber of Commerce / Federation of Small Businesses (FSB)

Responsibility for the development, implementation and review of progress of this strategy will be through a sustainable economic growth strategic board. This board will be supported by an officer steering group and report to the Community Planning Partnership. The scope of its work will include joint approaches to physical development, business support, skills, learning and employability together with other related issues.

A ‘Promoting Sustainable Economic Development Partnership Improvement Plan’ is in place in support of the Single Outcome Agreement (SOA), capturing the breadth of activity being delivered against our priorities above.

This incorporates actions that contribute to the objectives and targets we have set ourselves and identify those agencies taking these forward.

Delivery will be the responsibility of specific agencies or collaboration between agencies depending on the area of activity.

This Board will also have responsibility for overseeing the work of the South Lanarkshire Rural Partnership. This Partnership is developing its third rural strategy, covering the period 2014 to 2020, which will build on the success of the previous two EU Leader Programmes.

In line with the broader aims and objectives of this strategy, the rural strategy will seek to develop a sustainable rural South Lanarkshire by promoting economic growth, addressing poverty and disadvantage and safeguarding and enhancing the area’s rich cultural, historic and natural heritage.

Communication

The implementation of the strategy will rely on a wider range of agencies that support these core partners and on ongoing involvement and dialogue between all concerned. Consultation and engagement have been ingrained in our approach to date and we need to continue to listen to and learn from our businesses and communities and place them at the core of developing responses to the issues we face in our local economy.



Funding

Resourcing the delivery of the strategy will rely on a range of funding streams. This will include the core budgets of key partners such as the Council, Scottish Enterprise and Skills Development Scotland. The support of mainstream services and budgets will be fundamental to the strategy's success. Through our ongoing service and business planning processes, the partners will ensure that mainstream resources will continue to be aligned to this strategy's vision and development themes. This will sometimes involve direct investment but in other cases it may involve the provision of high quality support and advice services.

However, it is recognised that the resources available to the public sector agencies remain finite and will be tight for

the foreseeable future. We will continue to strive to do more with less through the better planning, targeting and co-ordination of our activities. We must focus our efforts on solutions which are sustainable in the longer term and not dilute our scarce resources on a myriad of small initiatives that even taken together do not address the substantial challenges that face South Lanarkshire. Critical to meeting our goals will be securing private sector investment and maximising the uptake of external funding sources, including the UK and Scottish Governments, the European Union and the Lottery.

The context for essential additional support from Europe is changing with the introduction of a new EU structural funds

Measuring and monitoring performance

This strategy aims to be a framework for improving the prospects of our area, its businesses, communities and residents. We need to ensure that we are measuring the difference being made by the wide range of partner interventions which are contributing to its overall aims and objectives. It is important that we check our progress throughout the next ten years. We will monitor progress in a systematic way using South Lanarkshire Council's performance management system IMPROVe and publish regular updates on achievements as part of the agreed public reporting process for the SOA.

Our suite of indicators and short, medium and longer term targets within the SOA and supporting economic growth improvement plan reflect the themes and priorities highlighted above and will allow us to analyse South Lanarkshire's position as we go forward making comparison where appropriate with that of Scotland as a whole.

programme during 2014. The Scottish Government is leading the production of a partnership plan which will incorporate the European Regional Development Fund and European Social Fund as well as proposals under the Scottish Rural Development Programme within which dedicated funding, such as the rural development programme LEADER, will also sit. Our area has benefited greatly in the past from all of these EU funding streams.

The partnership will ensure it takes every step to secure additional external funding such as this to maximise investment and leverage, enhancing the economic outcomes for the benefit of South Lanarkshire.

A collection of logos and text arranged vertically. At the top are the European Union flag and the Scottish Saltire flag, with the text 'EUROPE & SCOTLAND European Regional Development Fund Investing in your Future'. Below that is the Heritage Lottery Fund logo with the text 'LOTTERY FUNDED'. A green banner contains the text 'Clyde Wind Farm'. A grey banner contains the text 'Renewable Energy fund'. At the bottom is the LEADER logo (a green circle with a white arrow) and the text 'SOUTH LANARKSHIRE RURAL PARTNERSHIP'.

Promote

Promoting Growth and Prosperity



Looking ahead . . .

Since 2008, and following a long period of sustained growth, the global recession has had a significant impact on the economic performance of South Lanarkshire. Despite this, the South Lanarkshire Community Planning Partnership is committed to helping overcome the effects of the downturn and to putting in place the means to support local businesses and our residents to take advantage of opportunities for growth and prosperity. Although not without its challenges, we believe that working together we can make a difference and achieve our vision over the lifetime of this strategy.

Promoting Growth and Prosperity



If you need this information in another language or format,
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