
Report To:	Special Environment & Regeneration Committee	Date:	23 June 2021
Report By:	Interim Service Director Environment & Economic Recovery	Report No:	E+R/21/06/02/SJ
Contact Officer:	Stuart Jamieson	Contact No:	01475 712402
Subject:	Inverclyde Economic Regeneration Strategy 2021-2025		

1.0 PURPOSE

- 1.1 The purpose of this report is to present to Members the proposed Inverclyde Economic Regeneration Strategy 2021 – 2025 and associated draft Action Plan 2021-2023.

2.0 SUMMARY

- 2.1 A number of operating plans for Economic Regeneration have been produced since 2014 presenting Members with joint actions by the Council's Economic Development Service alongside Riverside Inverclyde.
- 2.2 Since the Council has undertaken management of parts of Ri / RiPH, under a Service Level Agreement, officers have taken the opportunity to reflect these rolls in the attached strategy.
- 2.3 Since 2007/08 Scotland economy has faced a series of challenges and whilst until recently it was making positive strides, a number of new challenges have presented themselves namely Brexit, and the impact of the 2020 COVID-19 pandemic.
- 2.4 The Strategy focuses on five priorities - to boost skill levels and reduce worklessness; to accelerate the regeneration of strategic employment sites and town centres; to progress the renewal and economic regeneration of the most disadvantaged areas of Inverclyde; to increase Inverclyde's capacity to accommodate jobs particularly in the private sector; and to grow and diversify the business base.
- 2.5 The Strategy is for a four year period from 2021 – 2025 and includes as an appendix a two year action plan which reflects current funding and initiatives. Clearly the delivery of this action plan will be dependent on available budgets.

3.0 RECOMMENDATIONS

- 3.1 The Committee are:-
- asked to approve the attached Inverclyde Regeneration Strategy 2021-2025 including action plan; and
 - authorise the Interim Service Director Environment & Economic Recovery to seek endorsement by the Ri / RiPH Board.

4.0 BACKGROUND

4.1 Economic regeneration in Inverclyde has primarily been carried out by Inverclyde Council's regeneration team, with physical activity carried out by Riverside Inverclyde under the auspices of a number of single operating plans since 2014.

4.2 The concepts of the previous plans largely remain current:

- To grow and diversify the business base
- To increase Inverclyde's capacity to accommodate private sector jobs
- To accelerate the regeneration of strategic employment sites and town centres and
- To progress the renewal and economic renewal of the most disadvantaged areas of Inverclyde

However a number of new themes have been developed in the intervening period including community benefits, community wealth building, and a reduction in carbon / net zero whilst at the same time addressing the impact of Brexit, and COVID-19.

4.3 The Strategy provides members with detail in respect of the aspirations for Inverclyde along with a resourced action plan.

4.4 The strategy and action plan have been prepared in consultation with the business community.

5.0 PROPOSALS

5.1 It is proposed to agree the Inverclyde Economic Regeneration Strategy and associated Action Plan

6.0 IMPLICATIONS

6.1 Finance

Financial Implications:

One off Costs

Cost Centre	Budget Heading	Budget Years	Proposed Spend this Report	Virement From	Other Comments
N/A					

Annually Recurring Costs/ (Savings)

Cost Centre	Budget Heading	With Effect from	Annual Net Impact	Virement From (If Applicable)	Other Comments
N/A					

6.2 Legal

6.3 Human Resources

6.4 Equalities

Equalities

(a) Has an Equality Impact Assessment been carried out?

	YES
x	NO – This report does not introduce a new policy, function or strategy or recommend a substantive change to an existing policy, function or strategy. The activities complement existing established programmes. Therefore, no Equality Impact Assessment is required.

(b) Fairer Scotland Duty

If this report affects or proposes any major strategic decision:-

Has there been active consideration of how this report's recommendations reduce inequalities of outcome?

	YES – A written statement showing how this report's recommendations reduce inequalities of outcome caused by socio-economic disadvantage has been completed.
x	NO

(c) Data Protection

Has a Data Protection Impact Assessment been carried out?

	YES – This report involves data processing which may result in a high risk to the rights and freedoms of individuals.
x	NO

6.5 Repopulation

The report supports the ethos of our repopulation agenda.

7.0 CONSULTATIONS

7.1 Consultations have taken place with the business community and third sector representatives

8.0 BACKGROUND PAPERS

8.1 None

Inverclyde Economic Regeneration Strategy

April 2021 to March 2025

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1. Our approach to Inverclyde's Economic Regeneration

Our ambition is clear - to create, attract and safeguard more and better jobs in Inverclyde. This will lead the way to a more inclusive, prosperous, competitive, balanced and sustainable local economy, delivering economic regeneration for the benefit of all our businesses, residents, and communities whilst maximising funding support.

Our strategy balances ambition with deliverability, focusing on key priorities and opportunities to improve the local economy and build on the recovery in light of the impact of COVID-19 while addressing the challenges posed by reduced levels of public funding and private investment for economic regeneration. It recognises changes in priorities such as Community Wealth Building, the introduction of Brexit, and carbon reduction / net zero. The strategy focuses resources on a narrower set of priorities and actions with the greatest potential to deliver new jobs and wealth. It is a four year rolling strategy, which will be reviewed and updated annually and which will respond flexibly to evolving opportunities and challenges.

Through integrated partnership working, we will improve the effectiveness and impact of our activities and investments, at the same time as maximising our efficiency and value for money.

The Strategy focuses on the projects, investments and services to be delivered or led directly by the Council's Regeneration Team in conjunction with ri / RIPH under our service level agreement, building on existing plans and financial commitments, at the same time as establishing some new actions to be taken forward in the next four years.

While the Strategy is focused on the actions of Inverclyde Council and ri, we understand and value the very important role played by other partners in the economic regeneration of the area, including the private sector, the Scottish Government, Scottish Enterprise, Skills Development Scotland, and many more. We will work in close partnership with all of these organisations to secure Inverclyde's economic regeneration. Working together, we will build a stronger, more competitive and prosperous Inverclyde.

2. Context

2.1 The changing economic regeneration environment

Scotland's economic recovery following the 2007/8 recession compared well against that of the UK as a whole. In measures of productivity, labour market participation and earnings Scotland had reduced the gap to the UK average¹, prior to the 2020 COVID-19 pandemic.

At an Inverclyde level, there had also been a gradual improvement in the local economy, with a notable fall in unemployment. Economic statistics for Inverclyde highlight the following issues:

- Unemployment in Inverclyde has fallen, from 12.2% in June 2012 to 4.4% in June 2020 (compared to a fall from 8.1% to 3.9% across Scotland during the same period)². While still higher than the national average, unemployment has fallen at a faster rate in Inverclyde.
- The economically inactive statistics compared favourably between 2012 and 2019 including with Scotland and the UK however in the period between 2019 and 2020 there has been a marked increase in the Inverclyde compared to national rates which have remained static or fallen over the same period³.
- Average earnings (gross weekly pay for full-time workers) have increased from £454.80 in 2012 to £575.70 in 2020 in Inverclyde⁴ (a 26% increase), compared to a change from £508.30 in 2012 to £595.00 in 2020 across Scotland (a 17% increase).
- While the proportion of people with no qualifications in Inverclyde has fallen (from 13.4% in 2012 to 12.1% in 2020), it remains higher than the national average for Scotland (8%)⁵.
- The number of enterprises in Inverclyde has increased from 1,460 in 2012 to a peak of 1685 in 2017 but has fallen back to 1620 in 2020 an increase of 11%⁶.

However, despite these positive indicators there remain significant challenges, exasperated by COVID-19, for continuing economic regeneration. For example, reduced levels of public sector funding will continue to have a significant impact on regeneration efforts, and this reduced level of public sector funding is likely to continue into the near future.

Other issues impacting on economic growth and regeneration include low pay growth, poor productivity, and significant underemployment. This situation is mirrored at Inverclyde level, where there are a significant number of jobless residents, and wages and skills levels remain below the national average.

Within this current economic environment, there is a need to capitalise on emerging opportunities, maximise the use of limited financial resources, and to find new ways of delivering regeneration and economic development activity in future. Some key developments and opportunities for Inverclyde include:

¹ Scotland's Economic Strategy

² ONS Annual Population Survey

³ ONS Claimant Count with rates and proportions

⁴ ONS Annual survey of hours and earnings - workplace analysis

⁵ ONS Annual Population Survey

⁶ ONS: Inter-Departmental Business Register

- The Scottish Government has identified Green Jobs and Green Recovery as a priority for the Scottish economy. Manufacturing jobs help to drive the prosperity of communities, with average wages in the sector above the Scottish average⁷. The growth and development of this important sector in Scotland presents economic opportunities for Inverclyde, in terms of: supporting the growth of local manufacturing businesses; improving access to finance and expert advice to support innovation, exporting, or skills development; and creating new employment opportunities which offer at least the real living wage.
- The Glasgow City Region⁸ supported by the investment secured through the Glasgow and Clyde Valley City Deal, is an engine of economic growth, benefiting both Glasgow City and the surrounding local authority areas. The City Deal, which is one of the largest ever agreed, has secured long-term investment in a range of regeneration programmes and activities, with potential to generate economic opportunities and benefits for businesses and residents in Inverclyde. This includes, for example: investment in infrastructure to unlock the development of key strategic sites; and employability programmes supporting young people and vulnerable residents to develop skills, overcome barriers, and progress towards work. Access to the River Clyde affords Inverclyde a niche opportunity to grow the existing maritime sector.
- The Glasgow City Region has existing strengths in key sectors with growth potential (e.g. financial services, engineering, manufacturing, life sciences, and creative and media) presenting a range of economic opportunities to City Region partners, including, for example: supply chain development; provision of work-related training at a range of levels for emerging employment opportunities; or accessing finance to support innovation, new product development or diversification.
- Collaboration with key partners, at a national and regional level, to: maximise the impact of existing (committed) economic development resources; enable businesses to access and benefit from existing programmes of support (e.g. focused on innovation, exporting, energy and resource efficiency); and to focus activity on the delivery of key strategic investments.
- Develop partnership bids for competitive funding, for example from the new UK Shared Prosperity Funds Programmes, Lottery, Scottish Enterprise investment, the Scottish Government Regeneration Capital Grant Fund, or the Government's Energy Efficiency Programme.
- Focus on creating new employment opportunities with a particular emphasis in the private or third sector to reduce an over-reliance on, and mitigate against the risks of a reduction in public sector employment.
- Focusing employment support and skills initiatives to address unemployment, including youth unemployment, and support inclusive growth, ensuring the support available is accessible to people of all backgrounds, including the 'hardest to reach'.
- Capitalise on high profile events to promote Inverclyde's tourism offer, support local tourism businesses, maximise opportunities through the dedicated cruise terminal, and increase the number of tourism visits to the area.

2.2 The wider strategic context

⁷ A Manufacturing Future for Scotland (2016)

⁸ Glasgow City Region generates around 32% of Scotland's Gross Value added, it is home to 33% of Scottish jobs, and over 29% of all businesses in Scotland (Glasgow and Clyde Valley City Deal).

There are a number of key national, city region and local strategies and statutory plans that provide the wider context for the delivery of regeneration and economic development activities in Inverclyde. These documents describe the national policy context, key strategic drivers, and priorities, as well as identifying key local development opportunities and a framework for local delivery. The key documents include:

- **Scotland's Economic Strategy (2015)** which sets out a clear framework for growth based on improving competitiveness and tackling inequality, with activity focused on four strategic priorities⁹ to drive sustainable and inclusive economic growth at a national level.
- **Scottish Enterprise Business Plan (2021 – 22)** Sets out a strategy to increase the international competitiveness of Scotland's key sectors and companies, and the potential level of public resources available to support it, built around the Government's four strategic priorities.
- **Scotland's Trade and Investment Strategy (2016-21)** recognises the continued importance of international trade to long term economic growth, alongside the key challenges that need to be addressed to boost Scotland's exports. The strategy describes the Government's ambition to support sustainable business growth, and associated jobs and income, through an eight point action plan for trade and investment.
- **A Manufacturing Future for Scotland (2016)** sets out an action plan to work with industry to deliver a range of initiatives designed to boost productivity, stimulate innovation and investment, improve energy efficiency, and develop skills within the manufacturing industry.
- **UK Shared Prosperity Fund** will set out interventions to replace the European Structured Funds.
- **Glasgow and the Clyde Valley City Deal (2014)** sets out ambitious investment plans to support economic growth and regeneration across the Glasgow City Region over the next 10 – 20 years.
- **Glasgow and the Clyde Valley Strategic Development Plan (May 2012), and the Inverclyde Local Development Plan (June 2019)** Statutory documents focused on the key development opportunities across the City Region, and within Inverclyde for a range of economic activities e.g. industrial, housing, leisure, and town centre developments.
- **The Community Empowerment Act (2015)** creates a legal framework to fully engage people in communities in a range of ways to get pro-actively involved in the design and delivery of public services and to support public sector organisations to achieve better outcomes for communities.
- **Achieving a Sustainable Future: The Scottish Government Regeneration Strategy (2011)** describes the overall approach to regeneration as being a holistic means of addressing the economic, physical and social needs of communities, placing community-led regeneration¹⁰ at the heart of effective delivery.
- **The Inverclyde Alliance Outcomes Improvement Plan (2017-2022) Inverclyde Together** describes how the key partners working together will contribute to the economic and social regeneration of Inverclyde.

⁹ Investment, Innovation, Inclusive Growth and Internationalisation.

¹⁰ CLD is defined as 'local people identifying for themselves the issues and opportunities in their areas, deciding what to do about them, and being responsible for delivering the economic, social and environmental action that will make a difference'.

- **The Inverclyde Alliance Partnership Recovery Plan (2021/22)** which focuses on the areas recovery post Covid-19.

There are also a number of sector specific strategies and action plans (e.g. for offshore renewables, tourism, cultural and creative industries) which provide a framework to support the growth of these sectors across Scotland.

The key themes emerging from the above documents provide the overall context for regeneration and economic development across Scotland, and create opportunities for regeneration within Inverclyde. This includes:

- **A focus on growth sectors, markets and companies.** Targeting limited public resources on those companies and sectors with the greatest potential for growth, and supporting businesses to innovate, and access overseas growth markets. Within this theme is a clear focus on supporting innovation and commercialisation, and encouraging greater collaboration between universities and private business.
- **An emphasis on inclusive economic growth.** There is a clear focus on delivering initiatives to achieve a more inclusive economy, including: opening up employment opportunities to people from all backgrounds; supporting businesses to operate in an ethical way e.g. by paying the living wage; and ensuring equitable access to employment and skills support services.
- **Building the skills base and improving employability.** There is a particular focus on developing the work-related skills of young people to address high levels of youth unemployment, and ensure the future workforce has the skills required by employers.
- **City Regions as engines of economic growth.** Infrastructure investments and place development initiatives are focused on major cities and their surrounding regions to maximise their potential as drivers of economic growth.
- **The transition to a low carbon economy / just transition.** This is a prioritised key theme for the Scottish Government and which has informed the focus of other key strategies. This cuts across many sectors and themes and includes, for example, supporting companies to become more resource efficient; building energy efficient housing, commercial and industrial property; promoting the use of new forms of energy generation; developing the supply chain for renewable energy companies; and training and skills development to meet emerging employment opportunities.
- **Community Wealth Building.** A people centred approach to local economic development, which redirects wealth back into the local economy and places control and benefits into the hands of local people. The programme focuses on 5 core principles: progressive procurement; fair employment and just labour markets; shared ownership of the local economy; socially just use of land property; and making financial power work for local places.

3. Economic opportunities and challenges

The wider economic context presents real opportunities for Inverclyde to exploit, although there are also some challenges to overcome in achieving the vision of Inverclyde being a vibrant part of a strong city region, with a thriving, competitive economy and sustainable communities.

The Scottish economy was moving out of recession and there were signs of recovery, although it was yet to regain pre-recession levels of activity. Unemployment was falling gradually and private sector investment and confidence was improving, although remaining fragile.

Conditions varied across the country, with core cities recovering more quickly than more peripheral areas. However, whilst growth was returning, it was likely to remain modest for several years to come and the impact of the continued contraction of the public sector was yet to play out.

The impact of Covid-19 on the UK, Scottish and Inverclyde economy has been stark. In this context there are some key opportunities and challenges for Inverclyde's economy which the Council, ri, industry and other partners should look to address to achieve future economic growth. The key issues include:

3.1 More and better jobs - The occupational profile in Inverclyde is lower value and lower skilled compared to the Scottish average, with fewer 'higher level' jobs. Wages are also lower than the national average. To generate wealth and add value to the economy it is important to attract and develop high value businesses and higher level jobs (although this goes in tandem with developing a skilled workforce) and this will help to attract and retain talented individuals. At the same time there is also an opportunity for supporting more residents to access employment opportunities in the wider City Region economy.

3.2 Strengthening the business base - Inverclyde has a small and relatively narrow business base, with a reliance on a small number of larger employers, a lack of medium sized firms, and an over reliance on the public sector to provide jobs. There is a need to attract private sector businesses and investment, as well as stimulating an entrepreneurial culture and supporting indigenous businesses to grow and to develop more small and medium-sized businesses. There are a number of clear opportunities for Inverclyde to focus on in growing the business base:

Key sectors with potential for growth - Providing specialist support to businesses operating in key sectors, with potential to create employment and wealth in Inverclyde, should be proactively targeted to ensure they reach their potential and exploit growth opportunities. This may involve ensuring businesses are connected to existing programmes (e.g. those provided by SE or SDI) as well as delivering local services if gaps exist.

a) **Marine engineering** - This sector presents opportunities for growth and wealth creation for Inverclyde. Given Inverclyde's historic and continuing strengths in marine engineering, (for example with Dales Marine Engineering) this sector presents job and wealth creation opportunities, particularly in terms of meeting the supply chain needs of larger companies, and in developing and supplying the skilled workforce needed by the industry.

- b) Financial and business services** - Financial and business services are significant sectors for the area. Across the City Region business services are the biggest sector, claiming 18% of employment and financial and insurance activities claim a further 6%¹¹. Inverclyde has a number of strengths in this sector, for example, with its cluster of contact centres and other business services which will be further developed, as well as competitively priced, high quality business premises. There should be a particular emphasis on safeguarding existing jobs and supporting new and existing small and medium sized enterprises in this sector, rather than on larger companies which may leave Inverclyde vulnerable to business decisions to close / move premises to reduce costs, resulting in large scale job losses.
- c) Leisure and tourism** - Tourism is an important market for Scotland, for example, with an increase in international inbound travel of 12% in 2014, compared to the same period in 2013, an increase in tourism day trips in Scotland of 3%, and an 8.3% increase in day visitor spend, generating £4.5bn during 2014¹². Inverclyde can build on its emerging leisure and tourism offer, particularly with the planned investment in the Ocean Terminal as part of the City Deal, good links to key Scottish tourist destinations, coast and river frontage, spectacular scenery, local leisure facilities, and events venues by developing a more clearly defined offer and strategy to attract day visitors to the area and to maximise local spending. This could, for example, capitalise on the growth of sail tourism¹³ and / or mountain biking¹⁴ across Scotland to attract additional visitors to the area. Tourism can have a significant direct impact on jobs creation but also on indirect jobs and prosperity through food and drink, retail, transport and communication. An enhanced leisure and tourism offer could also contribute to reversing the de-population of Inverclyde by making the area a more attractive place to live and visit.

¹¹ Strategic Development Plan – Investment Sites, January 2016

¹² Visitor Trends and Statistics – Visit Scotland (January 2015)

¹³ The current value of the sailing tourism market in Scotland is £101 million and with development of the market, this could increase to £145 million (with 29% from non-Scots) in 10 years. (<http://www.tourism-intelligence.co.uk/intelligence-guides/08-sailing>)

¹⁴ Research undertaken for Scottish Enterprise (The Economic Value of Mountain Biking) found that mountain biking generates £46.5m pa for the Scottish economy. In 2011 it was predicted significant growth, potentially adding £36 million to the market.

Business and enterprise support - There are also opportunities to provide support to businesses across all sectors in Inverclyde to:

- **Address low levels of start-ups** by delivering enterprise support and developing enterprising skills. The existing Business Gateway¹⁵ service will create a clear focus on start-up's, which research has shown to have an important role in creating jobs. Encouraging participation in school enterprise programmes, will help develop a pipeline of young people with an interest in enterprise and starting up their own business in the area.
- **Support the growth of existing (and new) small and medium-sized businesses** across all sectors to help better balance the economy, reducing the reliance on a small number of large employers. This should include supporting all businesses to innovate, to trade more outside of the area, and to enter the export market, as these are drivers of economic growth. And as access to finance remains a key challenge and barrier to growth for many businesses, supporting companies with this will help to unlock potential. This should involve connecting local companies to national or City Region programmes¹⁶, (in conjunction with the Supplier Development Programme) and working jointly¹⁷ with Scottish Enterprise (SE) and partners to promote the area to inward investors. Reversing the pressure brought to bear on our town centre businesses following the shift to online purchases during COVID-19 will a priority.
- **Make the transition to a low carbon economy** which presents opportunities for businesses in Inverclyde. The opportunities stretch well beyond renewable energy, cutting across many sectors and activities, such as measures to improve the resource efficiency (and profitability) of SME's, opportunities to supply energy efficient materials for the construction industry, and carbon capture and storage. Exploring opportunities for emerging technologies for alternative fuel sources will be supported.. Supporting business to take advantage of these opportunities will help boost the economy and generate wealth.
- **Improve access to public sector procurement opportunities** for local companies both in Inverclyde and across Scotland. This will help local businesses to grow, create employment and skills development opportunities for local residents through social benefit clauses and Loting, and to create opportunities for smaller businesses or the self-employed to sub-contract work or partner larger companies to deliver large scale contracts.

¹⁵ Delivered by the Council under contract to Renfrewshire Council

¹⁶ For example: Scottish Enterprises Smart Exporter programme; Winning through Innovation; the Innovation Support Service; Resource Efficient

¹⁷ For example, using the established Business Gateway (Growth Pipeline) process to link up the relevant partners

3.3 Boosting skills - A skilled workforce is a more productive workforce and can help to attract high value businesses. Inverclyde has a relatively lower skilled workforce than the rest of Scotland. There is a need to boost skills and also ensure that these skills are closely aligned with the key growth sectors, with growing businesses within Inverclyde, and emerging employment opportunities. It is also important to ensure that businesses are supported to maximise their contribution to economic growth in terms of offering jobs and work-based training. This could be done, for example, through community benefit clauses as well as developing strong partnerships with industry.

3.4 Reducing worklessness Compared to Scotland as a whole, Inverclyde suffers high levels of unemployment and worklessness. In May 2021, 2,990 were receiving Universal Credit, this represents 6.1% of our population compared with a figure of 5.6% across Scotland. Within the cohort the starkest differential between Inverclyde and the rest of Scotland is in the 18-24 client group which has 560 clients representing a figure of 9.2% compared to 7.8% across Scotland. Tackling worklessness, raising participation and developing enterprising skills, particularly among young people, is important for economic growth. Inverclyde does, however, benefit from a strong third sector which can play a key role in delivering services and activities to address this.

3.5 Improving the availability and quality of business premises and economic infrastructure – Continuing the regeneration of key economic sites along the Inverclyde waterfront in the current climate of reduced public sector resources and limited private sector investment is a key challenge for Inverclyde. Partners need to find ways of targeting limited resources to achieve maximum economic impact, improving the commercial and industrial property portfolio, progressing the development of key strategic sites, and creating vibrant town centres. Opportunities for Inverclyde include:

- Completing or promoting developments on key sites on the waterfront and A8 corridor, for example, The Customs House, and Carttsyde.
- Continuing to improve the current industrial and commercial property portfolio to attract and retain businesses and increase occupancy rates.
- Investing in additional industrial and commercial premises, increasing Inverclyde's capacity to attract and accommodate business of all types and sizes and contribute to growing and diversifying the business base.
- A programme of town centre regeneration, public realm and environmental improvement activities focused on Port Glasgow, Greenock, Gourock, and the riverfront to attract and retain residents and businesses, and increase the number of visitors to the area.

3.6 Regenerating disadvantaged areas - Inverclyde has clusters of deprivation, with Greenock / Greenock Central being the most deprived in Scotland¹⁸. An area-based approach to regeneration, tackling multiple issues (e.g. employment, entrepreneurship, social enterprise, business growth, housing, crime, and environment) in a co-ordinated way, through community engagement and partnership working, will strengthen communities and address issues of deprivation.

3.7 Addressing population decline - De-population is a major concern for Inverclyde, with the Council and partners¹⁹ working together to try and stabilise the population to assist the overall economic regeneration of the area. Better quality housing, vibrant town centres, more and better jobs, an improved environment, and stronger communities are all factors which will stabilise and retain population levels.

3.8 Articulating a clear offer and marketing message - A key challenge for Inverclyde is to develop clear messages about the area's offer to businesses, investors and visitors. Further work needs to be undertaken to clarify, define and clearly articulate Inverclyde's offer to different markets including key business sectors, visitors / tourists to the area, and others. This will help to underpin work on infrastructure development, to improve skill levels, and to diversify the business base, while creating a clear message to potential investors and / or visitors.

3.9 Maximising opportunities for Community Wealth Building- The five pillars of community wealth building seek to redirect wealth back into the community. Whilst many opportunities are currently under different titles, a number of challenges remain in the theme. Further work is required at a national, regional and local area to further develop this theme to ensure that Inverclyde maximises the opportunities for the local community.

The SWOT analysis summarises the key economic opportunities and challenges facing Inverclyde

¹⁸ Inverclyde Alliance Outcome Improvement Plan (2017/2022)

¹⁹ The Inverclyde Single Outcome Improvement Plan (2017/2022) has an objective to stabilise the population to assist economic regeneration and improve the quality of the living environment

Swot analysis

Strengths	Weaknesses
<ul style="list-style-type: none"> ▪ Inverclyde is part of the Glasgow City Region – an economic powerhouse which generates around 32% of Scotland’s GVA, it is home to 33% of Scottish Jobs, and over 29% of all businesses in Scotland²⁰. ▪ It has good transport links and good access to air and sea ports. ▪ A much improved physical environment through the work of ri ▪ Quality business premises and strategic sites with a high occupancy rate ▪ Riverside location and deep water access. ▪ Industrial heritage, skills and ethos of the workforce. ▪ The gap has narrowed (improved) in recent years between Inverclyde and Scotland in terms of average wages and proportion of the working age population claiming any DWP benefit. ▪ Competitive wages and business accommodation. 	<ul style="list-style-type: none"> ▪ High unemployment and worklessness, particularly youth unemployment. ▪ A declining and ageing population. ▪ Low skilled workforce and low level jobs. ▪ Low job and business density. ▪ Narrow business base and predominance of public sector. ▪ Areas of deprivation ▪ Poor external perceptions of Inverclyde.
Opportunities	Threats
<ul style="list-style-type: none"> ▪ The port, connectivity to the City Region and airport presents an opportunity to attract business to locate to Inverclyde, building on its export and logistics offer. ▪ Some strengths in key growth sectors upon which to build (marine engineering; business services; carbon zero) ▪ Some signs of recovery in the construction sector, commercial property and residential market. ▪ Potential to support home-working or attract home-based consultants, learning from good practice. ▪ Greenport, in conjunction with Metropolitan City Region. ▪ Community Wealth Building. 	<ul style="list-style-type: none"> ▪ Continued population decline ▪ Public sector investment may be focused in the City Region core, but impacts / benefits may not filter through to peripheral areas (limited agglomeration effects) ▪ Recovery from the recession in terms of commercial property markets appears to be stronger in cities such as Edinburgh and Glasgow and therefore may take longer to attract investment to Inverclyde ▪ Tourism offer is unlikely to compete with stronger / more attractive products locally (e.g. the Trossachs, Loch Lomond, Glasgow City etc.) ▪ Lack of a clear USP and offer for companies and new residents could be a barrier to attracting investment to the area. ▪ Reliance on large companies based overseas leave Inverclyde vulnerable to business decisions to close premises to reduce costs, resulting in large scale job losses.

²⁰ Glasgow and Clyde Valley City Deal

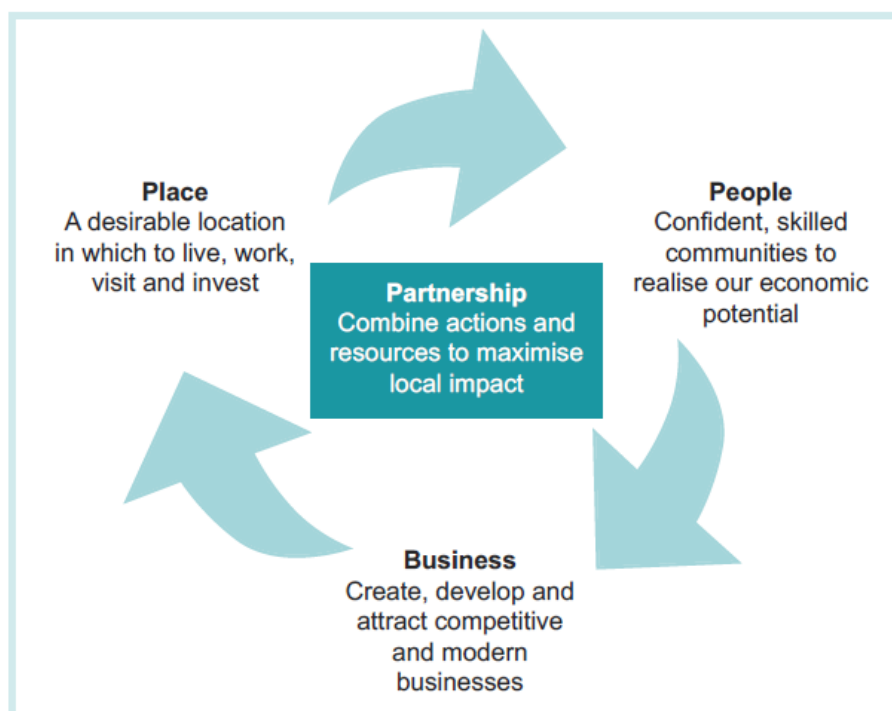
4. Our vision and priorities

4.1 The Inverclyde Economic Regeneration Strategy

This Strategy will be delivered within the existing strategic framework provided by the Inverclyde Alliance Outcome Improvement Plan (2017/2022). Through this Strategy, the Council and ri will work together to achieve the ***Inverclyde Vision***.

“Inverclyde is a vibrant part of a strong city region with a competitive and thriving economy, sustainable communities and a flexible and skilled workforce.”

This Strategy will make an important contribution to achieving the following target outcomes of the Strategy, across the four main themes of: People; Business; Place; and Partnership.



These four themes highlight the key areas in which action and investment is required to fulfil Inverclyde’s vision and potential. All of the priorities, projects and investments set out in this Strategy contribute to one or more of these strategic themes and target outcomes.

4.2 Our five key priorities

- **Priority 1 – To boost skill levels and reduce worklessness** by supporting local residents (including young people), to develop employability and vocational skills and link them with new job opportunities including green, green recovery and blue industries.
- **Priority 2 - To accelerate the regeneration of strategic employment sites and town centres** as the business, leisure, retail and housing markets return to growth.
- **Priority 3 - To progress the renewal and economic regeneration of the most disadvantaged areas of Inverclyde** by working with local communities, alongside private and third sector partners, to design, develop and deliver regeneration activities.
- **Priority 4 - To increase Inverclyde's capacity to accommodate jobs particularly in the private sector** by developing and maintaining a mixed portfolio of high quality, value for money, regionally competitive business premises, capable of attracting and retaining a broad mix of industrial, commercial and service sector firms, with strong connections to the wider City Region economy, and expanding if necessary.
- **Priority 5 - To grow and diversify the business base** through a concerted programme to attract new SME's, businesses and private sector investment to the area, grow existing firms, and increase the rates of business start-up and self-employment.

4.3 Our approach

Our approach to the delivery of our five priorities is under-pinned by the following principles:

- **Inverclyde is 'Open for Business'**. Raising the profile of Inverclyde as a great place to invest and do business, based on high quality, value for money business locations, excellent connectivity to the wider City Region economy and labour force, and a business-focused approach.
- **Creating an outward looking Inverclyde**, attracting wealth from outside the area, and contributing to the growth of the wider City Region and Scottish economies, with businesses trading across Scotland, the UK and internationally, residents travelling to work across the City Region, and regeneration bodies developing mutually beneficial joint ventures with neighbouring areas (for example, through the Glasgow and Clyde Valley City Deal).
- **Focusing investment on strategic projects** with the greatest potential to deliver economic and regeneration impacts, generate wealth, and create jobs.
- **Empowering local communities** to engage pro-actively in the development, design and delivery of economic regeneration activities, particularly in our town centres and most disadvantaged communities.

4.4 Spatial focus

A number of spatial areas within Inverclyde have been prioritised for support and investment (including strategic employment sites, town centres, and disadvantaged communities) on the basis of greatest opportunity, potential impact and need.

4.4.1 Strategic employment sites

We will focus our investment and resources on the development or promotion of the following strategic employment sites and locations:

- **The development of our commercial property portfolio**, to increase occupancy rates and generate a surplus which can be re-invested in additional economic regeneration activities.
- **Cartsburn / Cartsdyke (Phase 1)**. This key site will be for new business-related or commercial development.
- **Inchgreen**.

There are a number of other key strategic sites which are important for Inverclyde, as they have the potential to attract new investment, create additional jobs, and generate wealth for the area. The development of these sites in future will be driven largely by private investment and by improving market conditions. ri and Council staff will support and facilitate development as appropriate, but there will be little or no further direct financial investment in these sites by ri or the Council. The key sites in this category are:

- **Victoria and East India Harbours**. This strategically located riverfront site, adjacent to the Custom House development, remains a key priority for the Council and ri, as a housing-led mixed use development, including education use.
- **James Watt Dock**. This is a medium to long-term priority for the Council and ri. However, due to the size and scale of JWD, there is potential for developments on parts of the site to be taken forward in the next few years subject to private investment and market conditions, for example business premises in the Sugar Sheds, or housing developments.

Inverclyde Council will progress the following City Deal projects:

- **Ocean Terminal**. The development of the dedicated cruise berth and the ensuing terminal building has created potential for additional cruise ships to dock in Greenock, increasing the number of visitors accessing Scotland's main tourist destinations through Inverclyde, and creating opportunities for local businesses. Initial capital investment towards this development has been secured through the City Deal.
- **Inverkip Former Power Station**. The redevelopment of the former power station site will create potential for additional housing and limited commercial accommodation. Initial capital investment towards this development has been secured through the City Deal.
- **Inchgreen**. This is a key strategic riverfront site, which has potential to support employment in the marine and / or renewable sectors. Initial capital investment towards this development has been secured through the City Deal.

4.4.2 Town Centre Regeneration and Area Renewal

We will also focus our investment and resources on regenerating our town centres, and supporting area renewal initiatives, to create new employment opportunities, support business growth, and attract new private investment.

4.5 Scope of activities

Economic Regeneration

The primary focus of this Strategy is the **Economic Regeneration** of Inverclyde. This means focusing support and investment on activities that **will create and sustain jobs** in Inverclyde, enable local residents to take advantage of these job opportunities, and boost wealth and prosperity across the area. Economic Regeneration includes the following activities:

- **Business support** - Encouraging growth and survival among existing local businesses, particularly SME's, alongside the creation of new business start-ups.
- **Investment attraction, marketing and tourism** - Attracting businesses and developers from outside the area to invest and locate in Inverclyde, as well as attracting day visitors to boost spending in the local economy.
- **Business sites and premises** - Providing the high quality, regionally competitive sites and business premises needed to underpin and attract business growth and investment.
- **Supporting infrastructure** - Offering the essential supporting infrastructure needed by businesses, primarily excellent transport links and broadband connectivity.
- **Skills and employability** - Equipping local residents with the skills and qualifications needed to be employable and to take up new jobs in Inverclyde and the wider City Region economy, through direct budget allocation and special interventions.
- **Procurement** - Enabling local businesses to compete more effectively for public sector contracts, both within Inverclyde and across Scotland; and increased use of social clauses in contracts to create more employment and training opportunities for local people.
- **Community Wealth Building** - promoting opportunities within the Council and other anchor organisations in Community Wealth Building.

Other aspects of regeneration

Beyond economic regeneration and area renewal, there are other activities that fall within the broader regeneration definition, such as social regeneration (e.g. health improvement, tackling substance misuse, crime reduction) and housing. Neither of these activities are prioritised in this Strategy. They will be dealt with as follows:

- **Social Regeneration** - The Council's Regeneration Team currently manages the 'Inverclyde Regeneration Fund'. The main focus is on employability, assisting local residents to overcome barriers to employment. In addition, the recently announced allocation of anti-poverty funds will provide support to a number of initiatives including a pilot programmes to remove barriers to participation in the job market for young men with complex barriers to employment including addiction, mental health and crime
- **Housing** - The Council's Regeneration Team and ri will become involved in housing developments only where they directly support economic regeneration objectives, or contribute to the regeneration of priority mixed-use sites that also include business-related developments (commercial, retail, industrial, leisure), or they support the renewal of priority

disadvantaged communities. Examples could include site preparation for self-build housing at Kilmacolm, executive housing developments that will help in attracting businesses and investment to the area, residential schemes on Victoria Harbours and James Watt Dock, or new developments by RSL's in priority disadvantaged areas. The Regeneration Team and ri will play no direct or wider role in housing, which will be led by the Council's housing section and local registered social landlords, including River Clyde Homes.

5. Delivering the Strategy

A key objective of this Strategy is to continue the co-ordination of economic development and regeneration activity between Inverclyde Council's Regeneration Team and Riverside Inverclyde (under our Service Level Agreement which has been successfully delivered over two years). The 'integration dividend' or benefits generated through this approach will continue to be:

- A more focused, targeted approach to service and project delivery resulting in better outcomes for businesses and local people;
- Co-location on a single site which will improve communication and facilitate models of joint working between the two teams, particularly in areas where there is currently some overlap e.g. property management;
- Continuing to implement cost savings through co-location, improved co-ordination, and greater streamlining / pooling of resources; and

5.1 Roles and responsibilities

The Council's Regeneration Team and ri will each be responsible for leading and delivering specific elements of the Strategy via our Action Plan, including specific activity types and projects. The allocation of responsibilities is as follows:

Table 1: Proposed allocation of responsibilities

Lead organisation	Area	Main activities
<p>Council Regeneration Team</p>	<p>Business support</p>	<ul style="list-style-type: none"> ▪ Business, advice, grants and loans ▪ Business Gateway providing support for start-ups, self-employment, enterprise, and social enterprise. ▪ Specialist sector advice and support. <ul style="list-style-type: none"> - A sector management approach, identifying businesses’ support needs and brokering in expert support from third parties (innovation, finance, exporting, skills development etc), working in partnership with Scottish Enterprise and SDI. We will focus on businesses that are not currently account managed by Scottish Enterprise.
	<p>Skills and employability</p>	<p>Delivery of employability services and vocational training and skills support to:</p> <ul style="list-style-type: none"> ▪ Develop workforce skills (including for potential growth sectors and higher level skills) ▪ Increase skill levels to help progression into employment ▪ Implement local labour projects and community benefit clauses. <p>Management of the Regeneration Fund, and those organisations contracted to deliver employability services.</p>
	<p>Securing external funding and investment</p>	<ul style="list-style-type: none"> ▪ Leading all bids and proposals to secure external funding for Council led projects. ▪ Leading other investment initiatives (e.g. prudential borrowing, tax incentive schemes, TIF etc). ▪ Working with ri as the grant applicant for funds that exclude public bodies, or writing bids on behalf of ri.
	<p>Strategy and policy</p>	<ul style="list-style-type: none"> ▪ Review of national economic development and regeneration policy and understanding its impact locally ▪ Development of local economic development and regeneration strategies that reflect national policy. ▪ Integrating national economic development and regeneration policy into local strategies, plans and delivery.

Lead organisation	Area	Main activities
Riverside Inverclyde	Physical development of business premises and sites (including infrastructure)	Direct development and refurbishment by riph of new and existing business premises; working with private developers on business premises and site development projects; leading site development and improvement works; leading infrastructure works.
	Town centre regeneration and renewal (physical development only)	<ul style="list-style-type: none"> ▪ Management of physical development in town centres, such as shop front improvements, public realm works, site clearance etc. ▪ Co-ordinating and facilitation town centre renewal via the Town Centre Regeneration Forums
	Supporting external funding and investment	<ul style="list-style-type: none"> ▪ Input to all bids and proposals to secure external funding for ri led capital projects.
	Business investment / Investment attraction and marketing	<ul style="list-style-type: none"> ▪ Promoting Inverclyde to businesses, investors and agencies outside of the immediate local area, making connections and developing networks that will result in additional investment, businesses and jobs being attracted to the area. ▪ Focus on attracting a wide range of businesses and investors to all parts of Inverclyde, working with other property landlords, land owners, and developers with a presence or interest in the area. ▪ Take a sector management approach, identifying the support needs of businesses relocating to the area and brokering in expert support from third parties. ▪ Marketing Inverclyde as a competitive business location, with a clear focus on attracting businesses, jobs and investment.
	Property portfolio management	Although both ri and the Council will remain responsible for the management of their respective property portfolios the Council will take the lead in coordinating activities.

5.2 Engaging with partners

While the Strategy is focused on the actions of Inverclyde Council and ri, we recognise and value the very important role played by other agencies and partners in the economic regeneration of the area, including the Scottish Government, Scottish Enterprise and its international arm Scottish Development International (SDI), Skills Development Scotland (SDS), and many more. We will work in close partnership with all of these agencies to secure Inverclyde's economic regeneration.

The Council will be responsible for developing and maintaining relationships with partners in that field, working to align existing or secure new resources, add value, reduce duplication, and wherever possible achieve greater impact and benefits for Inverclyde. For example, this will include working with:

- Scottish Enterprise's Account Management team to focus activity and support on key sectors with potential for growth and companies in Inverclyde. Scottish Enterprise and the Council will work closely together, to share information, cross refer companies to each other's products and services, and help businesses in Inverclyde with potential for growth, to benefit from programmes on e.g. innovation, exports, or resource efficiency. This model has been adopted in other local authority areas and has proved to be an effective means of ensuring companies can access the support they need.
- SDI to co-ordinate inward investment and marketing activity, providing key data and information about appropriate sites and premises, the labour market, financial incentives, or support packages for staff re-locating to the area (e.g. accommodation, schools, transport etc).
- SDS to align skills and employability resources and activities to provide a co-ordinated programme of support to help key target groups improve their skills levels and / or progress into employment e.g. young people. There could also be scope to work more closely together to enable the provision of training to be more closely aligned with the skills required by employers.
- Scottish Government to ensure key strategic developments are closely aligned with national policy and priorities, and are therefore in a strong position to secure public investment.

5.3 Engaging with communities

We will continue to proactively engage communities in the development, design and delivery of regeneration and economic development activities. We will do this in a number of ways including:

- Community representation on the ri Board.
- Consultation with communities (both geographic communities and communities of interest) to inform the design and delivery of investments in regeneration and economic development activities, and to gather feedback on how we can improve engagement with communities in future.
- Building measures into each regeneration scheme to ensure that there are clear community benefits e.g. planning agreements include community benefit clauses to provide training and / or employment for local residents; training schemes are developed to ensure local residents can benefit from new employment opportunities; support is provided to local businesses to

help them bid for and deliver contracts for publicly-funded regeneration services, either on their own or in partnership with others.

- Measuring and reporting on the community impact of regeneration activities in terms of: local people into employment; local businesses securing contracts; improved access to services for residents.

In these ways we will ensure that regeneration and economic development in Inverclyde is community-led, and equitable, delivering genuine benefits for all parts of the community.

6. Our priority projects and investments

6.1 Approach

We will focus our efforts and investment on key projects and activities with the greatest potential to address Inverclyde's key economic opportunities and needs, delivering the maximum possible impact on job and wealth creation and regeneration. The key projects and services identified in this Strategy balance ambition with deliverability, focusing on the areas in which we can make the greatest difference within the finite resources at our disposal. The main sources of finance for the delivery of the key projects and investments are highlighted below. It should be noted that this section deals only with the funding needed to deliver projects and activities. The operating budgets and running costs of ri and the Council's Regeneration Team are presented separately in section 7.

Secured funding - Inverclyde Council, ri and other funders

As the Strategy is not starting from a 'blank page', the Council, ri, the Scottish Government, and the UK Government, have previously committed funding to projects that will be delivered between April 2021 and March 2025, some of which are already underway, in development, or almost complete.

Other sources of finance

In addition to our own committed resources, the Council and ri will work hard to secure and lever in additional, external sources of finance to deliver the five key priorities of the Strategy. While it is not possible to quantify this other funding at this stage, key sources are likely to include:

- **Public sector grants** – Including: Community Renewal & Levelling Up funding; UK Shared Prosperity Fund; Scottish Government's Regeneration Capital Grant Fund; other funding from Scottish Government and Scottish Enterprise for projects aligned to their priorities; Big Lottery; contracts for the delivery of skills and employability services; and many more.
- **Glasgow and Clyde Valley City Deal** – Within the City Deal, capital resources have been allocated to support three large scale investments in Inverclyde over the next five years. This includes: Infrastructure works at Inverkip to prepare the site for housing and commercial development; Improvements to Ocean Terminal to accommodate an increase in cruise ships and passenger numbers; and infrastructure works at Inchgreen to prepare the site for occupation by a manufacturing company. The Council will continue to work with City Deal partners to secure this investment and deliver these priority schemes.

- **Borrowing and financial instruments** - Riverside Inverclyde Property Holdings Ltd (riph) will consider using any surplus rental income generated by its property portfolio to borrow to finance new capital development projects, through the Council's prudential borrowing arrangements and/or commercial lending. It may also consider selling some of its current assets, using the capital receipts to fund new economic development projects.
- **Private sector investment** - Due in part to the recession and property market crash, it has been difficult during the past few years to attract private sector investment to support job creation, property development and regeneration. Through this Strategy, the Council and ri will work hard to secure private sector investment to support the priority projects, wherever this is a viable option.

Assessment and selection of projects and activities

In identifying our priority projects, the starting point has been to consider the availability of funding / finance. The first stage has been to include in the Strategy those projects and activities that are already underway or committed to start in the near future, using funds secured previously from the Council and other sources (e.g. Scottish Government).

As well as demonstrating the ability to deliver economic impacts, and to meet the ambitions and priorities of the Strategy, a key assessment criterion is the capability of each project to secure finance to enable it to proceed.

Table 2: Project assessment criteria

Criteria	Summary description
Outcomes	The project will help support jobs (i.e. create or safeguard jobs). This may include 'potential jobs accommodated' i.e. where business premises are created but these are given a lower weighting than actual jobs. Where jobs created /safeguarded are higher level occupations these are scored more highly. Where the project does not create /safeguard jobs it must lead to another target outcome. These outcomes will be considered positively but will not be scored as highly as jobs supported outcomes.
Impacts	The project will bring about an increase in GVA and/or help to bring about positive changes in terms of other target impacts i.e. population growth; increase in employment; increase in youth employment; narrowing the gap between Inverclyde's most/least deprived areas etc.
Strategy priorities	The project makes a very clear contribution to at least one of the priorities set out in this Strategy.
Outputs	The project will deliver at least one of the target outputs l.
Evidence of need and market failure	There is a clear rationale for investment and the project will tackle market or equity failures.
Additionality	The project will bring about outputs and impacts that would not otherwise happen at all or would only happen on a smaller scale or over longer timescales.

Criteria	Summary description
Strategic fit and funding	The project fits with wider strategic objectives, particularly Scottish Government and Scottish Enterprise. It fits with the objectives of other funding programmes and meets their eligibility criteria.
Deliverability and risk	The project is low risk as it has all match funding in place, planning consents etc. in place and the lead organisation has the skills and capacity to deliver it.
Community Benefits	What output can be achieved?
Community Wealth Building	What opportunities exist to maximise opportunities for local individuals.
Carbon Zero	Does the project promote a low carbon agenda?
Timescales	The project will be delivered quickly and there will be immediate outputs and minimal time lag between the investment and the outcomes and impacts being achieved.
Value for money	Value for money is assessed in two ways: <ul style="list-style-type: none"> ▪ Cost effectiveness - The cost per net output is considered an acceptable level based on benchmark data and/or thresholds for the Council/ri. ▪ GVA:Cost ratio -The project generates a positive return on investment as measured by the GVA:cost ratio.

We have identified our priority projects and investments by combining the results of the assessments with the finance that is already secured, or most likely to become available, to support them.

6.2 Our priority projects and investments

The key projects prioritised for investment and support are listed. They will be the focus of our joint efforts and investments up to March 2025.

- **Group 1** - These are the projects and activities that can be delivered with a high degree of confidence, either because the funding has already been committed to them, or the Council and ri have decided to support them using available funds.
- **Group 2** - These are projects and activities that have been identified as strategic priorities for Inverclyde, but which will be led by the private sector or other partners, with little or no direct financial input from ri or the Council.

As the Strategy is delivered and updated on a continual basis each year, a pipeline of additional projects will be developed and added to group 1 or 2, as appropriate. These additional projects will proceed only if the Council and ri are able to secure / lever the extra public funding or private sector investment needed to deliver them.

A summary of the projects and investments included in groups 1 and 2 is provided below, including an indication of which of the five priorities of the strategy they will contribute towards.

The projects will be reappraised and updated annually to reflect delivery progress to date, changes in the availability of funding and investment, the prevailing economic and market conditions, and emerging opportunities and challenges.

Group 1 Projects

Table 3: Business

	Project	Brief description	Priority
Business Sites and Premises	Maintenance of riph and Council business property portfolio	Management and maintenance of the industrial and commercial property portfolio.	Priorities 4+5
Business Support	Business advice, grant and loan Funds	Provision of advice and support to businesses located in Inverclyde including: <ul style="list-style-type: none"> ▪ The small business grant ▪ Small business loan fund ▪ Property assistance scheme ▪ Skills and business growth programme ▪ Marketing and start-up grant 	Priority 4+5
	Business Gateway	Support for business start-ups, self-employment and social enterprise.	Priority 5
Business Growth and Investment	Business Advice and Engagement	A focused and targeted approach to attract businesses to locate to and invest in the area. This will involve the direct delivery of support, as well as working in partnership with others to broker in expert support (e.g. innovation, exports, access to finance) from national or city-region wide programmes. There will also be a focus on key growth sectors, including for example: marine engineering; financial and business services; and tourism and leisure.	Priority 3+5
Marketing and investment attraction	Marketing and investment attraction	A Discover Inverclyde campaign will clarify and promote Inverclyde’s unique ‘offer’ outside of the area. The main focus will be on the opportunity within the area as well as the attraction of investment, jobs, businesses and development. Although at the time of preparing this Strategy the level of activity in the international and UK mobile investment market is limited, this market will inevitably return in the fullness of time. Inverclyde will position itself to take advantage of new opportunities when the market begins to strengthen by	Priorities 2+4

	Project	Brief description	Priority
		promoting its offer outside of the area including Scotland, the rest of the UK, and internationally.	

Table 4: People

Project	Brief description	Priority
Employability / Future Jobs Fund	Delivery of employability and job creation schemes to address unemployment. This includes: <ul style="list-style-type: none"> ▪ Youth employment initiatives ▪ Employability services delivered by the Council ▪ Other employability services contracted to third parties to deliver, through the Regeneration Fund ▪ Youth Employment Fund Contract (supported by SDS on an annual basis) 	Priorities 1+3+5
Project	Brief description	Priority
Vocational training and skills support	Support to develop and improve skill levels to help people progress into employment, and to sustain employment, with a focus on skills for growth sectors and higher level skills. This includes the apprenticeship programme. The Council's response to the Covid-19 pandemic in support for business, health and people.	Priority 1 Priority 1

Table 5: Place

Project	Brief description	Priority
Town Centre Regeneration and Area Renewal (Port Glasgow, Greenock, and Gourock) including public realm development and maintenance.	Support for Town Centre Regeneration, Area Renewal and public realm works at Port Glasgow, Greenock and Gourock.	Priority 2+3

Group 2 Projects

Table 6: Place

Project	Brief description	Priority
Redevelopment of Inverkip Power Station site	Mixed used development of former brownfield site. The development will be led by the private sector, with initial infrastructure works to open up the site supported by funds from the Glasgow and Clyde Valley City Deal and Inverclyde Council.	Priorities 2+5
Ocean Terminal: Floating Pontoon / dedicated terminal building	Construction of dedicated cruise berth and visitor facility maintaining the freight facility at the Port. When complete additional cruise ships will be able to dock at Greenock, bringing more visitors into Inverclyde and key tourist sites across Scotland. The development is supported by investment from the Glasgow and Clyde Valley City Deal	Priority 2
Expansion and refurbishment of Inchgreen	Development of the site to support the marine sector in Inverclyde. All activity will be private sector led, with initial site development work being supported by investment from the Glasgow and Clyde Valley City Deal through development of a joint venture with Clydeport Operations Ltd.	Priorities 2+4+5
Victoria Harbours site regeneration	Mixed-use development of a strategically located site with significant job creation potential, to be led by the private sector.	Priority 2
James Watt Dock	Mixed-use development of a strategically important site (including small business units, marina, housing and leisure facilities), will be led by the James Watt Dock LLP, in partnership with the private sector.	Priority 2

7. Monitoring progress and outcomes

7.1 Monitoring framework

A common monitoring and reporting framework to measure progress towards the achievement of the Action Plan's output and outcome targets is in place, providing a single performance system for both the Council and ri to monitor and report on performance. It is underpinned by the SOA targets and includes clear and detailed definitions of target outputs, outcomes and impacts. The monitoring framework uses the following definitions:

- **Outputs** are the immediate product of the activity and are typically tangible and countable e.g. the number of businesses assisted; m² of business space developed; number of unemployed residents supported.
- **Outcomes** are the results arising from an activity, which may appear some time following the end of a project activity e.g. the number of jobs supported (i.e. created or safeguarded); the number of people remaining in employment 6 months after the intervention; the number of people gaining a qualification; or increased town centre footfall.
- **Impacts** are the longer term results of an activity e.g. a reduction in unemployment levels, an increase in the area's business base; or increased GVA.

Appendix C provides more detailed information about the indicators in the monitoring framework, including a definition, and a description of the evidence required to demonstrate that the indicator has been achieved. This helps to ensure greater consistency in the reporting of outputs / outcomes by the Council and ri, and gives confidence that the data reported provides an accurate reflection of actual achievements. This also enables the Council and ri to report on support provided to priority groups e.g. residents of target areas; young people; or new businesses.

In the Strategy, targets have been set for the main outputs and outcomes to be delivered by the Group 1 projects / investments only. These are the activities over which the Council and ri will have direct control, and the outputs and outcomes will result directly from the investments and activities of the Council and ri.

The Strategy does not include targets for the Group 2 projects, as they will be led by the private sector and, in most cases, the outputs and outcomes arising from them may not be attributable directly to the investments and activities of the Council and ri.

As far as the **impact indicators** are concerned, no specific targets have been set in this Strategy.

7.2 Output and outcome targets

During the process of developing the Group 1 projects and investments, estimates have been made of the outputs and outcomes likely to be delivered by each, based on the level of investment planned. These estimates have been consolidated to create aggregate output and outcome targets for the Strategy as a whole.

Table 11 presents the key output and outcome targets for the Strategy, focusing on what are considered to be the ten most important and relevant indicators of performance.

Table 11: Output and outcome targets (2021/22 to 2024/25)

Key indicator	TARGETS				
	2021/22	2022/23	2023/24	2024/25	TOTAL
OUTPUTS					
No of businesses supported (new and existing)	300	350	300	325	1275
m ² of new / refurbished office / commercial space	100	150	200	200	650
m ² of new / refurbished industrial space	0	230	280	300	810
No of individuals supported with employability	1609	1650	1550	1600	6409
No of public realm / environmental improvement schemes	1	0	1	0	2
OUTCOMES					
No of jobs supported (created and safeguarded)	400	480	600	625	2105
No of new business start-ups	205	215	200	200	820
No of residents progressing into employment	415	430	460	490	1795

The outputs and outcomes presented in Table 11 will result directly from Council and ri investments between April 2021 and March 2025, and are subject to available budget.

7.3 Monitoring and reporting arrangements

Progress towards the achievement of the output and outcome targets identified in this Strategy / Action Plan will be reported quarterly to the Council's Environment and Regeneration Committee as well as the ri / riPH Board.

The lead officer for each project will have overall responsibility for gathering the appropriate output and outcome evidence, and for completing a progress report on a quarterly basis, to feed into the overall progress report. The Council's Service Director Environment & Economic Recovery will be responsible for ensuring the quarterly report is prepared and submitted on time.

It will also include, for each project being delivered:

- A brief summary of progress to date;
- Any key changes to the project or difficulties experienced;
- Outputs / outcomes achieved to date, and any changes to the anticipated total to be achieved;
- Spend to date and total projected spend.

At the end of each financial year an annual report will also be produced, summarising the total output and outcome achievements during the year, along with financial performance, and a summary of key activities and achievements.

Finally, an impact assessment of the economic regeneration investments included in the Strategy will be undertaken to assess the extent to which progress has been made towards the achievement of longer term economic and regeneration impacts.

8. Outline marketing strategy

Through our marketing activity we will raise the profile of Inverclyde as a desirable place to invest, do business, work, live and visit. A high level summary of the marketing strategy that will underpin the successful delivery of this Strategy is provided here. A more detailed and comprehensive marketing strategy will be developed separately, which will include specific marketing objectives, activities and target outcomes, under the branding of Discover Inverclyde.

8.1 Strategy overview

We will expand our business base by attracting new firms and investment, supporting the growth of businesses, and creating more and better private sector jobs. Our marketing strategy is based on maximising Inverclyde's core strengths and key assets, which include:

- Our position within Glasgow City Region - an economic powerhouse which generates around 32% of Scotland's Gross Value added, is home to 33% of Scottish jobs, and over 29% of all businesses in Scotland
- High quality, value for money business premises and strategic sites to accommodate a growing business base.
- Competitive wages and business accommodation costs.
- Strong skills base and work ethos, built on our marine and industrial heritage.
- Excellent transport links and good access to the wider City Region economy, and beyond through air and sea ports.
- An attractive physical environment, and good quality of life.

Whilst these strengths and assets are not in themselves exclusive to Inverclyde, we will use them to develop a clear identity for the area.

8.2 Objective

The overall objective of the marketing activity is to attract businesses, jobs and investment to Inverclyde, and to give local businesses the confidence to grow. Marketing activity will convey positive messages about Inverclyde, its attractions and successes, to audiences outside of Inverclyde, as well as those within the district. ***The purpose is to promote Inverclyde as a great place to invest, do business, work, live and visit.***

8.3 Target audiences

Through our marketing and communications activity we will engage with a wide range of businesses and stakeholders. The three key audiences we need to communicate with are:

- **Businesses**
 - Businesses in the West of Scotland and across the whole of the country, with potential to invest and / or locate in Inverclyde.
 - Business already located in Inverclyde, with a focus on building their confidence and potential to grow.
- **Developers of, and investors in,** commercial, industrial and residential property.
- **Economic regeneration agencies** and **funders** across Scotland, able to work in partnership with us to support and invest in economic growth in Inverclyde.

8.4 Brand and positioning

Whilst Inverclyde is a relatively small economic area with a small business base, it has a number of important assets and great potential to attract businesses and investment. Its key strength, above all, is its integration in the wider Glasgow City Region economy. Strengthening and capitalising on these links and connections with the City Region is key to Inverclyde strengthening its own local economy.

For this reason the brand and positioning will focus on Inverclyde's connectivity. We will emphasise Inverclyde's connections with the wider City Region economy and the benefits those connections give to businesses, including access to large business and consumer markets, supply chains and labour markets. The 'Connected Inverclyde' brand will be a business-focused extension of the existing area profile raising activity, in particular the 'Inverclyde Living' repopulation campaign.

This will be delivered through close partnership working between the Council's Marketing and Communications Team and the Regeneration Team.

Discover Inverclyde

During this four year Strategy, promotion of the Discover Inverclyde brand will be strengthened, to ensure consistency of messaging and branding in all marketing and communications activities.

- **Investing** - Highlighting the opportunities for businesses to invest in Inverclyde, and the opportunities this creates for local people. This includes businesses already based in Inverclyde investing in growth, as well as businesses from outside the area investing and / or locating in Inverclyde.
- **Inviting** - Promoting Inverclyde as an attractive place to live, work and visit, with an excellent quality of life in beautiful surroundings. This includes promoting Inverclyde as an inviting gateway to Scotland, via the cruise terminal. Wider quality of life messages are an important aspect of attracting businesses and investors to Inverclyde.
- **Invigorating** - Marketing Inverclyde as an attractive, outdoors-based visitor location, including water-based tourism and waterfront walks and activities.

To give Inverclyde a sense of uniqueness and difference from other areas, it is also important to focus some marketing messages on a small number of key sectors that help give the local economy a clear identity. These are the sectors in which Inverclyde has clear strengths and which can be used to communicate to outside audiences in particular what Inverclyde's economy is all about. This does not mean these are the only sectors that Inverclyde wants to grow; but these are the sectors in which Inverclyde has the best 'story to tell' at this time. The key sectors for the purposes of the marketing campaign are:

Marine engineering

Financial & business services and IT

Tourism: water-based activities and a gateway to Scotland

8.5 Key messages

By locating in Inverclyde your business will be connected to large-scale business and consumer markets, supply chains and a pool of skilled labour. With its superb infrastructure, high quality business accommodation, and excellent connections to the rest of Scotland and the world, Inverclyde is the ideal business location.

Inverclyde is home to the nationally significant port of Greenock, has easy access to Glasgow and Prestwick airports, excellent road and rail links to the Glasgow City Region and beyond, and well developed logistics services.

Core messages about connectivity and doing business in Inverclyde will be backed up with facts and statistics.

8.6 Communication methods

A mix of different communication methods will be used to raise Inverclyde's profile and to promote the area to businesses, investors, strategic partners, and visitors:

- Develop and maintain strategic relationships with businesses, investors, developers and sector groups through meetings, networking and lobbying.
- Web-based marketing, focused on raising Inverclyde's profile and attracting businesses, investment and visitors.
- Increased use of social media to raise awareness of Inverclyde Living and Connected Inverclyde, drive traffic to the websites, and engage with a wider audience.
- Increase business and investment enquiries through a planned and co-ordinated programme of PR and promotional activity.

- Work with the Chamber of Commerce, FSB and other bodies to raise awareness of the Inverclyde offer among businesses already based in the area, with a focus on improving their confidence and resources to grow.
- Make use of existing businesses as brand ambassadors for Inverclyde.
- Work closely with the council's corporate communications service to ensure communications and marketing activity is co-ordinated across ri, economic development and regeneration and other council services and partners.

8.7 A joint approach to marketing

The marketing campaign will be a joint partnership effort, involving the Council's Regeneration Team, and the Council's Marketing and Communications Team, working in close collaboration to achieve shared marketing goals.

9. Updating and reviewing the Strategy

This four year rolling Strategy will be reviewed and updated annually to ensure:

- Key projects and investments remain relevant and on track for successful delivery;
- Financial information is updated to reflect changes in costs, spend and the availability of funding and investment;
- Output, outcome and impact targets reflect the achievements to date, and remain realistic and relevant to the planned investments, services and activities.

An annual review of the Strategy will take place following the end of quarter 3 (December) each year. This will enable partners to: review performance over the first nine months of delivery, including progress towards output, outcome and financial targets; consider key projects and investments to be prioritised for support in the coming year; identify potential additional sources of funding and investment; and to update the Strategy accordingly.

The review will take place each January, with the Strategy being updated during February, for consideration and approval by the ri Board and the Council's Regeneration and Planning Committee by mid-March. This will allow time for the delivery team to put plans in place for ongoing implementation from the beginning of the new financial year.

Appendix A: Project assessment criteria

Criterion	Detailed description
<p>Evidence of need and market failure</p>	<p>There must be a clear evidence of need and demand for the project and public sector investment must address specific market or equity failures. Just because the market has not currently invested in something does not mean the public sector should. The Council and ri must be satisfied that projects will address at least one market failure and/or social equity objective.</p> <p>Key market failures include:</p> <ul style="list-style-type: none"> ▪ Imperfect information. Where there is asymmetric information not all parties have the right level of information on which to base decisions. For example, businesses may under invest in projects such as resource efficiency as they do not have sufficient information on the payback periods of their investment. ▪ Public goods. These are goods / services which can be used by one individual without reducing the availability for other, for example, public realm, the environment and street lighting. If left alone, the market will not provide the optimum level of public goods and therefore public investment is required. ▪ Externalities. These are the spill over effects arising from production but which are not factored in to market costs / prices. They can be positive or negative. Pollution is an example of a negative externality and training is an example of a positive externality. Some sites in Inverclyde, for example, have been left contaminated. The result now is that the cost of remediating the land can be greater than the end value of the land and is therefore not viable for the private sector to invest.

Criterion	Detailed description
	<ul style="list-style-type: none"> ▪ Imperfect competition. For example, if there is a sole buyer or supplier the market may not provide the most economically efficient outcome. ▪ Equity. Although not a market failure, the drive for social equity is also a justification for public investment to help redistribute wealth and support more disadvantaged communities.
Additionality	<p>Public sector investment must bring about change that would not otherwise happen, would only happen on a smaller scale or take longer to achieve. Key components of additionality are presented below alongside questions the Council / ri should ask of projects:</p> <ul style="list-style-type: none"> ▪ Leakage effects: Will any benefits be lost to outside of Inverclyde, e.g. will individuals or businesses from outside of the area be able to access support or benefit from the investment? ▪ Displacement effects: Will the project displace existing activity e.g. will a business grow at the expense of another in the area? ▪ Substitution effects: Will businesses substitute one activity for another to take advantage of the project e.g. replace one member of staff with another who would be eligible for a wage subsidy? ▪ Multiplier effects: Will there be any knock-on effects of investment either as spending increases with local supply companies and/or as employees spend more of their wages in the local economy? ▪ Deadweight effects: What would happen in the absence of the project investment? Would any impacts arise anyway? What proportion?
Contribution to Inverclyde's strategic priorities	<p>Projects should be assessed in terms of:</p> <ul style="list-style-type: none"> ▪ The number of priorities the project contributes to; and ▪ The extent to which it will contribute to the priorities i.e. if it will have a low, moderate or significant impact on each priority.

Criterion	Detailed description
Other funding/ fit with wider strategies	<ul style="list-style-type: none"> ▪ To what extent does the project fit with wider strategies and objectives, including Scottish Government? ▪ To what extent is the project likely to be able to secure other/match funding? Does it fit with the priorities of other funding programmes and does it meet their eligibility criteria? ▪ Does the project have the support of the community e.g. has the relevant community been involved in its development, will they be involved in project design and delivery, and will there be direct community benefits as a result of the project?
Outputs	Projects should deliver the outputs identified i.
Outcomes	<p>It is important that Inverclyde creates more and better jobs. Therefore strongest weighting should be given to projects that will support jobs i.e. create new jobs or safeguard existing jobs. However, as not all projects will necessarily create or safeguard jobs consideration may also be given to other outcomes. For example:</p> <p>Jobs: There are a number of ways in which jobs might be supported. Priority should be given to the number of direct jobs created or safeguarded.</p> <ul style="list-style-type: none"> ▪ Direct jobs created / attracted. For example, by supporting a business to locate to Inverclyde it will directly create new jobs in the area. ▪ Direct jobs safeguarded. For example, if a business is considering relocating outside of Inverclyde but stays due to support from the Council/ri or is housed in better quality premises the jobs would be directly safeguarded. ▪ Indirect jobs. By attracting a new business to the area, this may potentially lead to indirect jobs in the local supply chain.

Criterion	Detailed description
	<ul style="list-style-type: none"> ▪ Potential jobs accommodated. By building speculative business premises, it will increase the capacity for businesses and therefore jobs to be accommodated within Inverclyde. Building premises will not in itself create jobs though. Therefore this should be considered but given a lower score than direct jobs created. <p>A higher weighting should also be given to ‘higher level’ jobs e.g. those requiring NVQ Level 4 and above qualifications and/or higher level occupations of ‘associate professional and technical’; ‘professional’; and ‘managers and senior officials’</p> <p>Other outcomes: If projects do not support jobs they must deliver at least one of the other target outcomes identified for example, number of businesses created or attracted, number of residents supported into jobs, number of residents achieving a qualification. These should be viewed positively but not be scored as highly as job creation projects.</p>
Impacts	<p>The main economic impact arising from projects should really be GVA. However, projects may also be assessed in terms of their contribution to other impacts identified. For example:</p> <p>GVA: is a key measure of economic performance. It is likely that projects could contribute to wealth creation in a number of ways. There are three broad methods for measuring GVA:</p> <ul style="list-style-type: none"> ▪ Increasing productivity by increasing workforce skills. BIS guidance recommends that the GVA impact of skills improvements can be measured by applying the following factors:²¹

²¹ BIS RDA Evaluation: Practical Guidance on Implementing the Impact Evaluation Framework 2009

Criterion	Detailed description
	<ul style="list-style-type: none"> ▪ For individuals obtaining an NVQ Level 2 qualification or equivalent there is around a 15% wage return to the individual i.e. their wages increase by up to 15%; and ▪ For individuals obtaining an NVQ Level 3 qualification there is a return of around 5%. ▪ Attracting / creating new jobs. By supporting businesses to create new jobs / relocate jobs to Inverclyde this will generate wealth for the local economy. The GVA impact can be measured by applying the average GVA per workforce job in Scotland / Inverclyde to the number of jobs created. ▪ Supporting new or existing businesses to grow. This will generate additional business turnover. This can then be converted to GVA by applying GVA:turnover ratios to the estimated growth in turnover. <p>Other impacts: Where growth in GVA is not the main impact, projects should contribute to at least one of the other impact measures such as an increase in the (working age) population, increase in employment, particularly youth employment, narrowing the gap between the most / least deprived communities etc. Are community benefits identified? What are the opportunities for Community Wealth Building?</p>
Deliverability and risk	<p>Investments which are deliverable with low risks in terms of implementation and achieving the outputs and impacts should be prioritised. Key questions to ask of projects include:</p> <ul style="list-style-type: none"> ▪ Is all the funding in place? ▪ Have planning consents been obtained / are they likely to? ▪ Does the business plan make financial sense? ▪ Is the lead organisation the best placed to deliver it? ▪ What is the level of commitment from the private sector?

Criterion	Detailed description
Timescales	The timescales for a project bringing about outputs and outcomes should also be assessed, with those projects that will have a more immediate impact receiving a higher score.
Value for money	Value for money can be assessed both in terms of cost per net ²² outputs delivered and the GVA:cost ratio.
Cost effectiveness (cost per net output)	One approach to measuring value for money is the cost effectiveness of the project i.e. the cost per net output delivered. This must be based on the total public sector investment (including Council funds, Scottish Government / Enterprise funding, UK Shared Prosperity Funds and any other public money).
GVA:Cost ratio	An alternative approach to measuring value for money is to assess the GVA:cost ratio, taking into account the annual or cumulative GVA arising from an investment (using the measures set out above) and the total public funding invested in the project. Ideally there should be a positive return on investment i.e. the GVA should outweigh the total public sector costs. Again, the GVA:cost ratio could be benchmarked against other programmes and/or the Council and ri may wish to set a limit / minimum return on investment for supporting projects.

²² This refers to the number of outputs delivered after adjusting gross outputs to take into account what would have happened anyway in the absence of the activity / investment

Appendix B - ACTION PLAN 2021/22 – 2022/23 - draft

Description	Value £	Budget source	Priority
Employability Service contract – we will provide our out of work client base with support through tendered employability services to reduce the barriers to participation in the labour market.	996,359	Core	1
Work Experience – we will offer clients, working with local employers the opportunity to gain valuable work experience.	489,996	Core	1
Diverse workforce – we will work with clients with physical and mental barriers to employment to gain work.	54,902	Core	1
Health Barriers – working with specialist providers we will engage clients with complex mental health issues which prevent them participating in the volunteering and job market.	124,228	Core	1
Advice and employment rights – we will support clients in the provision of specialist employment support.	70,848	Core	1
John Wood Street – we support the provision of an employability hub in Port Glasgow town centre.	120,000	Core	3
Wage subsidies and training support – we will support clients and employers with taking on local unemployed people as well as providing training both in work and out of work to improve job prospects/ job retention.	500,000	Core	1
Employer recruitment incentive – a programme to support local businesses to in employing young people with barriers to participation.	100,000	EMR	1+4

Modern apprenticeship programme – supplementing our core MA programme offering a wide range of opportunities for young people in the public sector	250,000	EMR	1+4
Graduate programme – we will support young people in Inverclyde achieve better potential by offering up to one years worth of work experience in their chosen degree discipline.	210,000	EMR	1+4
Jobs refresh programme – the Councils flagship employability programme in response to the COVID-19 providing 210 job outcomes to predominately young people.	6,000,000	EMR	1,3+4
Schools programme - we will support young people who are not following and academeic route into gaining vocational skills with a view to early apprenticeships.	95,000	EMR	1
Business Gateway – under contact with Renfrewshire Council we will continue to develop the entrepreneurial development of local people in supporting them starting a business.	132,880	Core	2,4+5
Business Development – we will support local business in the development of opportunities available to them.	69,400	Core	4+5
Business Development Officers - in response to the COVID-19 pandemic two business development officers allocation to supplement the existing team.	Staff	EMR	4+5
SIMD Business Development Officer – an anti poverty intervention to promote entrepreneurial spirit in our most disadvantaged communities.	Staff + budget	EMR	3+5
Business Development Officer Town Centre – a special initiative to help Town Centre businesses in their development.	Staff	EMR	2+5

MCMC - we will work with young people in their transition from school to maximise their potential in the jobs market.	Staff + income	Core	1
RIPH – under our Service Level agreement we will manage the RIPH portfolio to maximise investment, occupancy and property solutions for businesses in Inverclyde.	Staff +income	External	2,3,4+5
RI – we will administer any surplus fund activity with the approval of the Board.	TBC	External	1-5
City Deal – we will complete the Ocean Terminal works and achieve approval on the Inchgreen and Inverkip works and have the works substantially complete..	32,250,000	External	1-5
Property Development – we will provide support to local businesses to find property solutions as well as assisting with grant support, whilst also maximising occupancy levels in the Councils portfolio and work with private sector landlords to make Inverclyde and attractive solution.	45,700	Core	2,3,4+5
Area renewal - we will work with private and public sector partners in addressing the complex barriers found in area renewal.	Staff	Core	3
Community benefits – we will continue to support colleagues in the property market to maximise community benefits in the area for young people.	Staff	Core	1
Community Wealth Building – we will maximise the opportunities from the five pillars of community wealth building whilst working with colleagues at a regional and national level including the provision of two workshops per annum including anchor organisations.	Staff	Core	1-5
COVID -19 Partnership recovery plan – we will deliver the people, health and business support interventions identified in the Economic section of the plan	1,700,000	EMR	1-5