

REFRESH OF ARGYLL AND BUTE ECONOMIC STRATEGY: 2019 – 2023: 2024 – 2029

1.0 HEADLINES

- 1.1 The purpose of this paper is to provide Committee with an update on the requirement to develop a new Argyll and Bute Council Economic Strategy from 2023.
- 1.2 A refreshed economic strategy must be ambitious for our area, focused on priority actions, inclusive and developed from a solid and defensible evidence base.
- 1.3 This paper provides detail on the relevant context, proposed governance arrangements, scope and process of work, including community and business engagement and consultation proposals, funding and associated timelines.

2.0 RECOMMENDATIONS

- 2.1 It is recommended that Members of the Environment, Development and Infrastructure Committee:-
 - Note and consider the content of this paper; and
 - Provide commentary on the scope, process, including community and business engagement, associated with revising the current economic strategy.

3.0 DETAIL

Background and Strategic Context

- 3.1 A refreshed Argyll and Bute economic strategy must be ambitious for our area, focused on priority actions, inclusive and developed from a solid and defensible evidence base. Continued focus is required on the medium to longer-term (next five to ten years) economic and social recovery agenda for Argyll and Bute in response to the economic shocks of the last three years. In particular, the pandemic, EU Exit and the cost of living, including the cost of doing business, crises. The strategy should be forward looking, with a place-based and business/person centred approach, to secure a fair, inclusive, and a prosperous

future for the area, more resilient to external factors including the rapid advances in technology and increasing impacts of climate change.

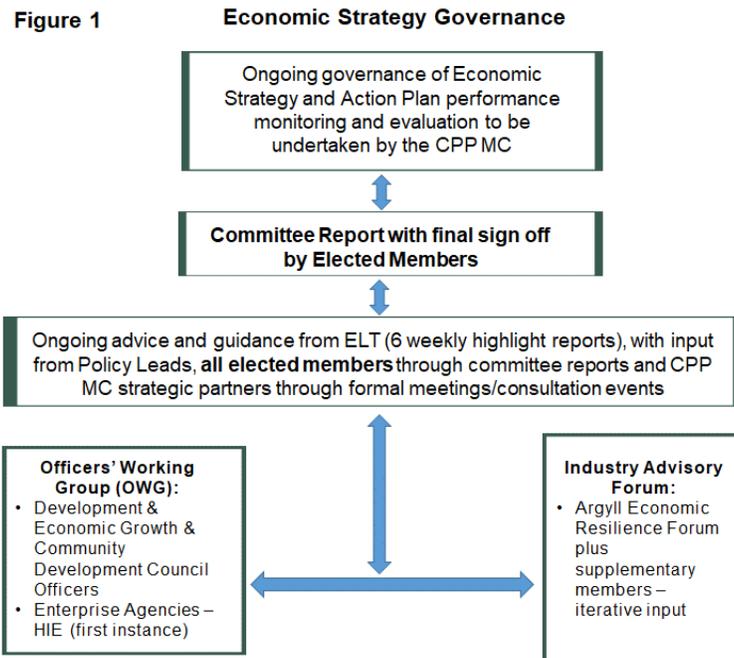
- 3.2 The need for collaboration and the interplay between economy, environment and community has never been stronger. Argyll and Bute is particularly well placed to benefit from the potential of the area's natural capital resources and the role it can play in providing green jobs and achieving net zero across key industries.
- 3.3 The new Argyll and Bute Council Economic Strategy will be prepared with a strong focus on collaboration and a joined-up approach, working closely with the Community Development Team who are currently revising the Local Outcome Improvement Plan (LOIP) on behalf of the Argyll and Bute CPP, partner agencies and stakeholders across Argyll and Bute and externally.
- 3.4 Highlands and Islands Enterprise (HIE) is also reviewing its strategy. HIE has been invited to assist in the development of this strategy as a critical delivery partner to ensure synergies and complementarity of the strategic direction and associated actions within the HIE Strategy. The outcome will be the development of a deliverable strategy and an associated Action Plan matched to the available resources that will generate the desired impact.
- 3.5 To align with the development of partner agency strategies, such as the current refresh of the HIE Strategy, it is suggested that the strategy will provide a framework for a five-year period, with recognition that priorities will flex in response to socio-economic conditions.
- 3.6 Furthermore, the refreshed economic strategy will need to complement and pay due consideration to:
 - Findings, and learning points made through the Economic Strategy 2019-2023 Scrutiny Review by the Audit and Scrutiny Committee, March 2021;
 - The current Community Planning Partnership (CPP) strategic review exercise to revise the Argyll and Bute Local Outcome Improvement Plan (LOIP), 2013-2023;
 - Wellbeing economy approach, which is based on the principles of resilience, sustainability, equality and prosperity. It emphasises that the economy is a means to improved health and collective wellbeing – not an end in itself. In this context it will be necessary to look beyond traditional, narrow measurements of economic performance such as GDP, to prioritise greater wellbeing, sustainability and equality, with alignment to the Scottish Government's national [Wellbeing Economy Monitor](#) (published in June 2022) to track Scotland's progress on its transition to a wellbeing economy;
 - The overarching vision of the current Economic Strategy, Argyll and Bute Council Corporate Plan, including the Administration's priorities, the Argyll and Bute LOIP and for the Rural Growth Deal proposals is that *Argyll and Bute's economic success is built on a growing population*;

- The Argyll and Bute COVID-19 Recovery Plan and associated action plan <https://www.argyll-bute.gov.uk/news/2020/dec/plan-agreed-argyll-and-bute%E2%80%99s-recovery> which outlines the local authority themes and action areas from moving on from the pandemic and shaping the new normal;
- Argyll and Bute Council's strategic priorities, partner agency regional strategies including Highlands and Islands Enterprise (HIE), Scottish Enterprise (SE) Visit Scotland (VS) and Skills Development Scotland (SDS), with some operationalisation of these at an Argyll and Bute level;
- Specific sector strategies such as the Argyll and the Islands Strategic Tourism Partnership strategy 2022 – 2025 <https://www.wildaboutargyll.co.uk/media/7810/visitor-economy-recovery-and-growth-strategy-2022-2025.pdf> and a new Food and Drink Strategy to be published shortly;
- The research work, complete with data gathering, on the Argyll and Bute re-population zones/pilots that has been progressed by COHI Population Working Group and the appointment of a Settlement Project Support Officer for Argyll and Bute, joint funded by the Argyll and Bute Council and HIE;
- The potential development of an economic strategy for the Highlands and Islands Regional Economic Partnership (H&I REP) which includes representation from all local authorities, agencies, academia and other partner organisations from across the Highlands and Islands;
- At a national level, the 10-year National Strategy for Economic Transformation (NSET) with a specific focus on a wellbeing economy;
- Taking account of local economic initiatives that are currently underway including the Rural Growth Deal, regeneration activities, the Maritime Change Programme, the Kintyre Action Plan and Regional Spatial Strategies associated with the LDP2; and
- National Planning Framework 4 and its focus on place based interventions, tackling climate change and improving biodiversity.
- The outcomes of the existing Economic Strategy and Recovery Economic Strategy.

Governance Arrangements

- 3.7 To develop and deliver an economic strategy for Argyll and Bute that is ambitious, targeted on our priorities and forward looking will require a strong focus on collaborative working with partner agencies and stakeholders.
- 3.8 As outlined in **Figure 1** below an officers' working group (OWG) has been established to incept, manage and complete the development of the revised economic strategy. The OWG (specifically the Economic Growth Manager) will be responsible for the delivery of a six weekly highlight reports to the Executive Leadership Team (ELT), Argyll and Bute Council and for keeping **all** elected

members informed through Policy Lead and committee reports. Indeed, it is proposed that the final Argyll and Bute Council Economic Strategy will be signed off at the Environment, Development and Infrastructure (EDI) meeting in December 2023.



- 3.9 The OWG met for the first time on Thursday, 4th May, and is comprised of council officers (particularly from Development & Economic Growth and Community Development) and initially the HIE Area Manager, Argyll and the Islands. Colleagues who present various bodies and organisations who sit on the Argyll and Bute Community Planning Partnership will also be kept informed of the progress of the development of the economic strategy and revised LOIP through formal meetings/consultation events.
- 3.10 It is proposed that the OWG reinvigorates the Argyll Economic Resilience Forum to become the Industry Advisory Forum, complete with additional industry contacts as appropriate, to complement the work of the OWG and help to shape and influence the strategy's direction and development.
- 3.11 The OWG has drawn up clear terms of reference for the development and delivery of a revised economic strategy for Argyll and Bute Council, which has been incorporated into Project Initiation Document (PID), see **Appendix 1**.
- 3.12 Beyond the completion of the strategy, governance of the economic strategy and action plan could sit within the Community Planning Partnership Management Committee, with due cognisance of this work stream(s) captured in the priorities for the refreshed LOIP.

Indicative Timeline: Scope and Process

3.13 **Table 1** provides a staged, iterative and participatory approach that will be required from appropriate council officers, partners/stakeholders and communities.

Table 1: Economic Strategy and Action Plan Development Indicative Timeline										
2023	Mar	Apr	May	Jun	Hols	Aug	Sept	Oct	Nov	Dec
Project Inception and Engagement										
Stage 1: Establish the Officers' Working Group and Industry Advisory Forum with clear terms of reference incorporated into a PID – to meet regularly, with ongoing feedback to ELT, Policy Leads and committees, CPP partners throughout 2023.										
Stage 2: OWG gathering of an evidence base – feed in repopulation analysis and Community Development Survey sense of direction (consideration given to commissioning consultancy support aligned to specific stages of work e.g. collaborative community engagement and communication).										
Outcome Stages 1-2: Initial Baseline Report										
Strategic Pillars/Objectives and Priorities										
Stage 3: OWG preparation of draft pillars/objectives, priorities and SWOT analysis.										
Stage 4: Shared consultation/engagement/communication events for strategy and LOIP – pillars/objectives, priorities and SWOT to understand drivers of outcomes and impacts.										
Stage 5: Identify ways to prioritise and/or target interventions to create and enable an ambitious wellbeing economy.										
Outcome Stages 3-5: Agreed Strategic Pillars/Objectives and Priorities										
Further Consultation, Engagement and Prioritisation										
Stage 6: Further deep dive and meaningful engagement – by themes and appropriate geographical areas.										
Stage 7: Map out the prioritised policies, projects and programmes to be delivered in an Action Plan.										
Stage 8: Further consultation & engagement on the associated Action Plan complete with a measurement framework, with clear outcomes & impacts.										
Outcome Stages 6-8: Draft Economic Strategy for Senior Management scrutiny										
Finalise Economic Strategy and Associated Action Plan										
Stage 9: Preparation of EDI Committee paper.										
Stage 10: Address pre- agenda commentary on Economic Strategy.										
Outcome Stages 9-10: Final sign off of the Economic Strategy and Action Plan by the EDI Committee										

3.14 Particular focus will be given to the National Standards for Community Engagement¹; the Wellbeing Economy Toolkit² and the EDAS Guide to Implementing Community Wealth Building.³

Proposed Funding and Delivery Capacity

3.15 As referenced in **Table 1**, the OWG will bring in external expertise as appropriate. At present, there is no additional funding other than that previously agreed for a staffing resource in the *Restart, Recovery and Renew: Delivering our Recovery Strategy and Action Plan* paper at the Policy and Resources Committee, December 2021.

3.16 To increase the staffing capacity for this work, the contract for the Settlement Project Support Officer has been extended by a year, in the first instance, to June 2024. The demographic quantitative and supporting qualitative data already gathered, and continues to be captured by this officer, will be a key contribution to the robust evidence base and ongoing monitoring activity required for the revised economic strategy. That said, the continuation of the joint funding model associated with this post is being considered with HIE and the Scottish Government.

4.0 CONCLUSION

4.1 This paper provides Committee with the details on the relevant context, proposed governance arrangements, scope and process of work, including community and business engagement and consultation proposals, funding and associated timelines to take forward a new economic strategy for Argyll and Bute from 2023.

4.2 The council remains committed to the future regeneration of Argyll and Bute taking advantage of the opportunities we have in front of us and the barriers that need to be overcome to reach our potential as a place. A new economic strategy for Argyll and Bute consequently needs to be ambitious, targeted on priority actions that are deliverable, inclusive and developed from a solid evidence base.

4.3 The refreshed strategy should be fully cognisant on the impacts of the economic shocks of the last three years but embracing innovation and forward looking, with a place-based and business/person centred approach, to secure a fair, prosperous future for the area, more resilient to external factors including the rapid advances in technology and increasing impacts of climate change.

¹ <https://www.voicescotland.org.uk/national-standards>

² <https://www.gov.scot/publications/wellbeing-economy-toolkit-supporting-place-based-economic-strategy-policy-development/documents/>

³ [Implementing-Community-Wealth-Building-A-Guide.pdf \(edas.org.uk\)](https://www.edas.org.uk/Implementing-Community-Wealth-Building-A-Guide.pdf)

5.0 IMPLICATIONS

- 5.1 Policy - current Argyll and Bute Economic Strategy, LOIP and National Strategy for Economic Transformation (NSET – 10 year duration).
- 5.2 Financial - funding consideration to be given to a budget for external consultancy work as appropriate, in liaison with the Community Development/CPP work on the revision of the LOIP. There is currently a focus on the joint funding model between the council, HIE and the Scottish Government for the continuation of the Settlement Project Support Officer post.
- 5.3 Legal - all appropriate legal implications have been taken into consideration.
- 5.4 HR - the Settlement Project Support Officer post will be extended until June 2024, utilising the funding agreed at the Policy and Resources Committee, December 2021.
- 5.5 Fairer Scotland Duty - the Fairer Scotland Duty, Part 1 of the Equality Act 2010, came into force in April 2018. The duty places a legal responsibility on particular public bodies in Scotland, such as Argyll and Bute Council, to pay due regard to (actively consider) how they can reduce inequalities of outcome, caused by socio-economic disadvantage, when making strategic decisions and how this has been implemented.
 - 5.5.1 Equalities - all activities have complied with all Equal Opportunities/Fairer Scotland Duty policies and obligations.
 - 5.5.2 Socio-economic Duty - all strategic pillars/objectives, priorities and project activities will comply with the council's socio-economic duty.
 - 5.5.3 Islands – a refreshed economic strategy will include priorities and actions that will be delivered across the whole of Argyll and Bute including the island communities.
- 5.6 Climate Change – strategic priorities and activities will address the net zero transition agenda.
- 5.7 Risk – buy-in by key partner agencies and stakeholders to the medium to longer-term strategic priorities could be challenging due to the uncertainty around future funding streams; many still decided on an annual basis.
- 5.8 Customer Service – None.

Kirsty Flanagan, Executive Director responsible for Development and Economic Growth

4th May 2023

Policy Lead for Economic Growth, Communities and Corporate Services: Councillor Alastair Redman

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Appendix 1: Project Initiation Document