

Argyll and Bute Council's Response to Call for Evidence on the Scottish Government Enterprise and Skills Review

1.0 EXECUTIVE SUMMARY

- 1.1 The purpose of this report is to provide the Environment, Development and Infrastructure (EDI) Committee with the proposed Argyll and Bute Council's response to the Scottish Government Enterprise and Skills Review Call for Evidence. The specific agencies under review are Scottish Enterprise (SE), Highlands and Islands Enterprise (HIE), Skills Development Scotland (SDS) and the Scottish Funding Council (SFC).
- 1.2 As outlined in the initial terms of reference the "review will take into account the economic development role of local authorities, VisitScotland and Creative Scotland and the need for complementarity".
- 1.3 The Scottish Government announced an end-to-end Enterprise and Skills Review at the end of May 2016. Further details are available via this link: <http://news.scotland.gov.uk/News/Review-of-enterprise-and-skills-agencies-251a.aspx>. The Scottish Government has now issued a Call for Evidence (see <https://consult.scotland.gov.uk/enterprise-and-skills/call-for-evidence>) running from 15th July to 15th August 2016. The proposed detailed Argyll and Bute Council response is outlined in **Appendix A, Table A1** to this paper.
- 1.4 The Cabinet Secretary for Economy, Jobs and Fair Work Keith Brown is leading the review and a Ministerial review group has been established which met for the first time on 12th July, Cllr Stephen Hagan (Orkney Islands Council) is representing COSLA on this group. It will meet again on 17th and 31st August 2016.
- 1.5 The Scottish Government is keen to understand all relevant evidence and experiences to decide on how best to take forward those services funded and delivered through these agencies. In particular, the Scottish Government requires that the review:
 - achieves the biggest possible impact for enhancing the economic development and skills capabilities of the country, thus achieving the best outcomes possible for Scotland's economy; and
 - captures the views of service users in the economic development and skills areas.

However, there is concern whether both of these outcomes can be realistically achieved in such a short timeframe offered to this review. For example, what

service users want from the services and their agencies may not be the most cost effective to deliver.

- 1.6 Local authorities play a crucial role in the enterprise, skills and wider economic development agenda, particularly at a local level and from a service user perspective. It is clear that any recommendations that are made, can and will likely have an impact upon the economic development and skills landscape more widely and the therefore have a knock-on effect for local government.
- 1.7 As well as framing a separate Council response, the Council's Economic Growth Manager has been working with partners in SLAED (Scottish Local Authorities Economic Development Group), the Improvement Service (IS) and COSLA to develop a collective local government response on common issues and points. COSLA is also engaging with SOLACE (Society of Local Authority Chief Executives).
- 1.8 The recommendations to the EDI committee are as follows:
 - note the content of this paper;
 - consider the high level principles articulated in the main paper which are addressed in more detail in the proposed Argyll and Bute response outlined in **Appendix A, Table A1** and provide comments and amendments as appropriate; and
 - approve the Argyll and Bute response for submission to the Scottish Government by 15th August 2016.

Argyll and Bute Council's Response to Call for Evidence on the Scottish Government Enterprise and Skills Review

2.0 INTRODUCTION

- 2.1 The purpose of this report is to provide the Environment, Development and Infrastructure (EDI) Committee with the proposed Argyll and Bute Council's response to the Scottish Government Enterprise and Skills Review. The specific agencies under review are Scottish Enterprise (SE), Highlands and Islands Enterprise (HIE), Skills Development Scotland (SDS) and the Scottish Funding Council (SFC).
- 2.2 As outlined in the initial terms of reference for the "review will take into account the economic development role of local authorities, VisitScotland and Creative Scotland and the need for complementarity".
- 2.3 As well as framing a separate Council response, the Council's Economic Growth Manager has been working with partners in SLAED (Scottish Local Authorities Economic Development Group), the Improvement Service (IS) and COSLA to develop a collective local government response on common issues and points. COSLA is also engaging with SOLACE (Society of Local Authority Chief Executives). This process was started by SLAED and the Improvement Service in early July when an initial discussion was held with members of the SLAED Executive Group (attended by the Economic Growth Manager as a member of this group).
- 2.4 At meeting arranged by COSLA on the back of the initial SLAED Executive group discussion, on Monday, 1st August (attended by the Economic Growth Manager) further discussions took place on a joint local government response. COSLA intends to submit a collective response for its members by the end of August. Extra time has been granted to COSLA in order to go through the political governance process. It is likely that SOLACE will mirror the COSLA response.
- 2.5 The SLAED Executive Group will submit an **officer response** which will also capture the higher level common points made by local government. It should be noted that SLAED represents all local authorities across Scotland, unlike COSLA.

3.0 RECOMMENDATIONS

3.1 The recommendations to the EDI committee are as follows:

- note the content of this paper;
- consider the high level principles articulated in the main paper which are addressed in more detail in the proposed Argyll and Bute response outlined in **Appendix A, Table A1** and provide comments and amendments as appropriate; and
- approve the Argyll and Bute response for submission to the Scottish Government by 15th August 2016.

4.0 DETAIL

4.1 Argyll and Bute Council welcomes the opportunity to respond to the Enterprise and Skills Review being carried out by the Scottish Government. While the review focuses on the Enterprise and Skills agencies, economic development and growth through supporting businesses and skills development is a key priority for Argyll and Bute Council.

4.2 Argyll and Bute has a declining and aging population although this is not consistent across all age groups or sub regions. The population of the area is forecast to decrease by around 7% by 2021, with an estimated 10% decline in the economically active working age population. This crucial challenge of the demographic trends in Argyll and Bute has already been identified and is the overarching aim for the Single Outcome Agreement – “*Argyll and Bute’s economic success is built on a growing population*”. Therefore support to enable existing businesses to grow and other businesses to start-up and grow coupled with identification of skills needs and opportunities is vital to address the declining demographic trend and to achieve economic success.

4.3 It is recognised that the Scottish Government’s intention is for this review to influence the spending review and budget discussions. Ultimately what is required from the review is a response which addresses the declining public sector resources overall, but that also delivers a step change in impact and improves Scotland’s overall economic performance.

4.4 It has been agreed at the recent meetings that the overarching issues that will be addressed in the collective local government responses (both by COSLA and the officer response by SLAED) are as:

- requirement for a greater focus on inclusive growth;
- devolved responsibility and resources for the enterprise and skills agenda to the local level where practicable and deliverable;
- greater clarity of the roles and responsibilities of local authorities and national agencies in relation to economic development and skills;
- greater coordination and collaboration between local and national agencies and a decluttered user experience in order to improve outcomes; and
- the degree of investment in economic development by local

authorities is high, and their wider contribution to the economic development and skills landscape across a variety of the services must be recognised. As part of this the funding relationships between various partners and agencies needs to be addressed and must be clear.

These issues are discussed in more detail below, within an Argyll and Bute context and also mirrored in the detailed response outlined in **Appendix A, Table A1**.

Greater focus on Inclusive Growth

- 4.5 There is a need for policy developments and investment of public money by Scottish Government and the agencies under review to be properly aligned with Scotland's Economic Strategy, and its dual aims of tackling inequality and increasing competitiveness, and the 4 'i's of: Inclusive Growth, Innovation, Internationalisation and Investment. On the flip side, local government should have a greater influence and input to the strategic documents of the Agencies under review, in order that these can truly meet the needs of local communities and promote inclusive growth. At present the Council's draft area-based Economic Development Action Plans, 2016-2021 are all aligned to the 4 'i's.
- 4.6 The inclusive growth agenda is of paramount importance to Argyll and Bute given the key challenges faced in terms of the higher cost of service delivery across such a complex rural, remote rural and island geography coupled with a declining population. The Scottish Index for Multiple Deprivation (SIMD) focuses on areas where a significant critical mass of the population lives in poverty. This method masks rural poverty which although less in number is a significant issue for remote rural and island communities with less dense populations. Local government intelligence is key to identifying such inequality issues prevalent across the local authority area.
- 4.7 Recently Argyll and Bute Council took the regretful decision not to take forward an opportunity to deliver an Enhance Employability Pipeline with 50% intervention funding from the European Social Fund due to inability at that time to mitigate the high levels of operational, financial, reputational, legal and staffing risks. It was the intention that a significant proportion of pipeline activity would be 'procured with match' coming from external providers. However the 42% cut in the Employability Fund budget for Argyll and Bute for 2016/17 had a significant impact on this approach, less available match funding, as identified through initial provider expressions of interest prior to a tendering process.

- 4.8 The “one size fits all” focus at the national level with regard to service delivery, such the Employability Fund, is a key concern. Furthermore, due to our dispersed geography a number of local employers struggle to access Modern Apprenticeships opportunities for their employees. A number of Modern Apprenticeship providers refuse to engage due to the costs they will incur when visiting the employers and their staff. Recently a local distillery that was refused support by GTG Training for warehouse/forklift training unless the company came up with a second employee to put through the Modern Apprenticeship scheme. Luckily this organisation was able to support a second employee but this would not be the case for the majority of our very small employers across Argyll and Bute. Such local issues need to be recognised by SDS. In addition, while Foundation Apprenticeships is a great initiative in principle, it is a struggle to implement Foundation Apprenticeships in any guise within Argyll and Bute as secondary school pupils do not generally live within commuting distance to a second secondary school or a college hub where this option can be delivered cost effectively as in the central belt. A local response is required for local delivery.

Devolved Responsibility and Resources for the Enterprise and skills Agenda to the Local Level

- 4.9 It is imperative that the review results in an improvement of outcomes, with power and resources being placed at the most appropriate level in order to improve those outcomes. In order to effectively tackle inequalities then it would seem appropriate to de-centralise decision making powers relating to local/regional economic development (enterprise and skills) and regeneration to local government from national agencies such as SE, HIE, SDS and SFC where decisions are made centrally. In addition, focus should be placed on delivery and the needs of users, as opposed to delivering specific products and processes.
- 4.10 Utilising existing local performance measurement framework for data capture, monitoring and evaluation of outcomes would feed into the SOA process. This would allow for local flexibility, rather than imposing consistency across the Scotland that may not be appropriate for all areas.

Greater Clarity of the Roles and Responsibilities of Local Authorities and National Agencies

- 4.11 It is recognised that the economic development and skills landscape needs to focus on the customer and seamless delivery, regardless of who is providing the service. The service provision by the enterprise agencies and SDS within the Argyll and Bute Council area is split, where HIE covers the Highland part of the area and SE the Helensburgh and Lomond area. This same model is operated by SDS. Thus there is requirement for the decluttering of service provision to mirror the geographical spread of Argyll and Bute more appropriately.
- 4.12 While good working relationships are continuing to strengthen with HIE, SE and SDS at a team/departmental level with Argyll and Bute Council,

there is still a need for greater co-ordination and collaboration between local and national agencies, such as information sharing protocols, in order to improve the outcomes achieved through the totality of investment in economic development and skills and what this is intended to achieve.

- 4.13 A better interaction of all agencies, where roles and responsibilities are clear, can only be a positive step for the customer. In particular, the seemingly protective nature of account managed companies by agencies has been a barrier. Account managed companies form an integral part of the communities across Argyll and Bute and local government is well placed to develop a joined up and meaningful local relationship with them, particularly in terms of inclusive growth.
- 4.14 SDS has grown substantially in the last five years with a key focus on Modern Apprenticeships and labour market intelligence. However, there is a need for greater engagement with the local business communities across Argyll and Bute to make use of this intelligence.
- 4.15 At present there has been no engagement with the economic development and skills activities across Argyll and Bute by the SFC. SFC has been invited to meetings, such as when Argyll and Bute hosted the Skills Investment Plan Programme Board at SAMS, Dunstaffnage, Oban but have not sent a representative.

Degree of Investment in Economic Development by Local Authorities is High

- 4.16 Local government spend solely on economic development activity has been collated by SLAED since 2012/13. For the last financial year, 2015/16 the EDST service contributed circa £1 million to regeneration activity which levered in excess of £1 million of additional funding. The figures do not include wider local government spend that also has an important impact on the economy, such as roads, planning, licensing, education, etc. This shows that with regard to the Scottish economic development landscape local government is a major player.
- 4.17 Despite economic development being a 'discretionary service' and the circa 11% cut in local government finance over past four years, Argyll and Bute Council, as with other local authorities, prioritised additional funding for economic development in the February 2015 budget.

5.0 CONCLUSION

- 5.1 The higher level principles and issues contained in the main report in response to the current Scottish Government Enterprise and Skills Review will be mirrored in a collective local government response by COSLA and collective Economic Development Officer response by SLAED. The detailed response to the questions posed in the current Call for Evidence is outlined in **Appendix A, Table A1**. One principal positive outcome of this review for Argyll and Bute would be to declutter the

landscape with regard to service provision by the enterprise agencies and SDS through treating Argyll and Bute as one distinct region. At present engagement is piecemeal particularly for the Helensburgh and Lomond administrative area.

6.0 IMPLICATIONS

6.1	Policy	The results of the Enterprise and Skills Review should assist Argyll and Bute in achieving the overarching aim of the Single Outcome Agreement, “ <i>Argyll and Bute’s economic success is built on a growing population</i> ”. Therefore support to enable existing businesses to grow and other businesses to start-up and grow coupled with identification of skills needs and opportunities is vital to address the declining demographic trend and to achieve economic success.
6.2	Financial	None.
6.3	Legal	None.
6.4	HR	None.
6.5	Equalities	The review should take cognisance of the key role that local authorities place with regard to the delivery of inclusive growth one of the main objectives of Scotland’s Economic Strategy.
6.6	Risk	None.
6.7	Customer Services	None.

Pippa Milne, Executive Director of Development and Infrastructure
Cllr Aileen Morton, Policy Lead for Sustainable Economic Growth (Economic Development, European Affairs, Renewables and Strategic Tourism).

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For further information contact:

Ishabel Bremner, Economic Growth Manager, tel: 01546 604375, e-mail:

ishabel.bremner@argyll-bute.gov.uk

Appendix A: Detailed Argyll and Bute Council Response to the Call for Evidence

Table A1 outlines the detailed response to the 10 questions outlined in the Call for Evidence. Approved responses will be submitted online by the deadline of 15th August 2016.

Table A1: Responses to Call for Evidence Questions	
Personal Experience	Response
1. Have you had direct interaction with enterprise and skills advice or support? Y/N	<p>Yes. Argyll and Bute Council as a local authority works closely, predominantly at an operational rather than strategic level, with three of the four agencies under review; Highlands and Islands Enterprise (HIE), Scottish Enterprise (SE) and Skills Development Scotland (SDS).</p> <p>Service provision by HIE and SE is split across Argyll and Bute Council (as with North Ayrshire Council) where HIE covers the Highland part of area and SE the Helensburgh and Lomond area. In addition, Argyll and Bute is also in the unique position that service provision by SDS operates under the same model as the enterprise agencies.</p>
2. Tell us briefly about your experience: <ul style="list-style-type: none"> • what are you trying to access • through whom and when? • what was your experience? • what worked well and less well? • how did you find the quality, ease and speed of service? • what did you think of the cost or value of the service? 	<p><u>Trying to access, through whom and when</u></p> <p>Argyll and Bute has a declining and aging population although this is not consistent across all age groups or sub regions. The population of the area is forecast to decrease from 91,300 in 2001 to 84,700 in 2021 – a decrease of around 7% over a 20 year period, with an estimated 10% decline in the economically active working age population. This crucial challenge of the demographic trends in Argyll and Bute has already been identified and is the overarching aim for the Single Outcome Agreement – “<i>Argyll and Bute’s economic success is built on a growing population</i>”.</p> <p>Therefore support to enable existing businesses to grow and other businesses to start-up and grow coupled with identification of skills needs and opportunities is vital to address the declining demographic trend and to achieve economic success. This will require ongoing proactive partnership working between Argyll and Bute Council, HIE, SE and SDS to take this forward.</p>

Table A1: Responses to Call for Evidence Questions (continued)	
Personal Experience	Response
	<p><u>Experience – what has worked well</u></p> <p>During 2015, Argyll and Bute Council in partnership with HIE, SDS and Argyll College UHI undertook a “Compelling Argyll and Bute” study as the original Highlands and Islands Skills Investment Plan took a very light touch approach to Argyll and Bute, with no specific actions related to and directly relevant to the economic, skills and population issues facing the area. This study provided a detailed evidence base and a range of suggested interventions for consideration presented under eight themes:</p> <ul style="list-style-type: none"> • Theme 1: FE and HE - expand provision and make more relevant to meet future demand; • Theme 2: Rural Enterprise and Entrepreneurship - increase the level of enterprise/entrepreneurship skills and activity; • Theme 3: Argyll and Bute Key Sectors - increase the relative employment and economic value; • Theme 4: Businesses of Scale - increase the growth and levels of ambition; • Theme 5: Generic Skills Development - ensure effective and efficient working of local labour markets; • Theme 6: Public Sector Employment - support rebalancing while offering new higher level opportunities; • Theme 7: Compelling Argyll and Bute - agree approach to marketing and selling to wider markets; and • Theme 8: The Hygiene Factors - basic infrastructure is in place to support strategic rebalancing. <p>These themes are being taken forward in partnership. In addition the Council’s Economic Development and Strategic Transportation (EDST) service re-structuring during 2015 was alive to these findings, with the creation of an Economic Growth Team, with sectoral focus and a new Marketing and Promotions Officer post. For example, the Council and HIE are currently working on taking forward the concept of a Centre for Entrepreneurship using existing community facilities. Also in partnership, Argyll College UHI is focusing on enterprise courses where the development will comprise a physical centre and a suite of business/enterprise courses. Furthermore, Argyll and Bute Council and HIE work together to identify and secure significant inward investment opportunities such as CS Wind, Machrihanish.</p> <p>On the back of the recent independent Economic Forum report (which referred to the findings of the Compelling study), chaired by Sir Nicholas Ferguson, the EDST service and the staff in the Lochgilphead HIE office are currently working together to focus on mapping the recommendations of the Economic Forum study to current activity. The outcome of this work will be to ensure activity is complementary for both organisations (no duplication of effort) and any gaps in provision can be identified. It is hoped that input from</p>

	SE and SDI will also be factored in as this work progresses.
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Table A1: Responses to Call for Evidence Questions (continued)

Personal Experience	Response
	<p><u>Experience – what has worked well (continued)</u></p> <p>Since the launch of Business Gateway across the whole of the Argyll and Bute area in 2009, business support activity levels have increased. From 2009 to the end of the first quarter of 2016/17, the Council's in-house Business Gateway service has supported almost 950 new start-up businesses and circa 3,400 existing businesses, delivered over 660 workshops, provided almost 3,600 adviser meetings and handled over 8,000 enquires in total. The Business Gateway team has established good working relationships with the local Business Growth and Strengthening Communities teams within HIE and the Prospecting Manager with SE. This has led to the referral of clients for Growth Pipeline and Account Management. Historically SE has not been very active in the Helensburgh and Lomond area.</p> <p>Furthermore, the Council's ongoing proactive and progressive approach to engagement and relationship building with HIE (particularly through the Council's Business Gateway team) has resulted in the joint hosting of Argyll Enterprise Week, 31st October to 4th November 2016 in Oban. It will comprise of a week of activities aimed at new and existing small to medium enterprises (including social enterprises) to help them learn new skills, meet new contacts, access support and ultimately grow their business.</p> <p>HIE is also actively investing in regeneration activity led by Argyll and Bute Council, such as the restoration of the Rothesay Pavilion £8.8 million, with input also from Historic Scotland and the Heritage Lottery Fund.</p> <p><u>Experience – what has worked less well</u></p> <p>Recently the EDST service, particularly the Economic Growth Manager and Business Gateway, has been building a working relationship with SE, which is a positive step. However, historically SE has not been very active in the Helensburgh and Lomond area.</p> <p>The nationally prescribed growth criteria required for acceptance into Growth Pipeline and Account Management by HIE/SE means that low volumes of client are referred and accepted, reflecting the business base of the area. Greater flexibility to offer support to early stage growth clients is required and HIE, SE and Business Gateway have accessed ERDF Structural Programmes funding to address this gap in support. With the future of EU funding uncertain past 2018, consideration should be given to the resourcing and role of the enterprise agencies and local authorities in supporting growth clients outside of Account Management.</p>

	The product offering to businesses by HIE and SE also differs which can make for a confusing and complex landscape for growth business support across the area.
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Table A1: Responses to Call for Evidence Questions (continued)

Personal Experience	Response
3. If you have not used such services can you outline why this is the case.	At present we have had no engagement with the SFC. The SFC has been invited to meetings, such as when Argyll and Bute recently hosted the Skills Investment Plan Programme Board meeting at the Scottish Association for Marine Science (SAMS), Dunstaffnage, Oban, but no representatives have been sent.
Reflections on the system of support	Response
4. What do you see as the strengths and weaknesses of the current approach	<p><u>Strengths</u></p> <p>Ongoing collaborative activity with HIE.</p> <p>Beginning to develop a relationship with SE beyond Business Gateway interaction. High turnover in SE Prospecting Managers has been an issue. SE product range is extensive but more training/briefing of Business Gateway/local authority staff about what is available to clients would be beneficial.</p> <p>SDS has developed good operational engagement with key staff in EDST and Education. SDS produces useful labour market information for the Argyll and Bute area as a whole, through documents such as the Argyll and Bute Regional Skills Assessment. What is now needed is the practical application of this intelligence with local businesses to assist in growing the Argyll and Bute economy.</p> <p><u>Weaknesses</u></p> <p>Protectiveness of account management companies by HIE (SE) can act as barrier to economic growth. Requirement for a more collegiate approach with greater sharing of information at a local level from HIE/SE.</p> <p>SDS is hybrid model of delivering services, mix between strategic and operational, procured and in-house activity. SDS is a very complex organisation with a plethora of staff. Challenging to understand the roles and responsibilities of staff at a local and national level across the whole of Argyll and Bute, not just the North Region where there is greater operational collaboration.</p> <p>Particular confusion on SDS priorities and whether the organisation is truly an all age service or focused on youth. Difficult for other agencies then to avoid duplication or overlap. For example, there is a different level of provision received between the nine secondary schools in the Highland part of Argyll (i.e. Argyll and the</p>

	Islands) compared with Hermitage Academy which is within the SDS West Dunbartonshire area.
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Table A1: Responses to Call for Evidence Questions (continued)	
Reflections on the system of support	Response
	<p><u>Weaknesses (continued)</u></p> <p>SDS has a large number of providers that are contracted on an annual basis which leads to short-termism and a lack of stability. The recent 42% cut in the Employability Fund in Argyll and Bute is a key concern given that current providers are struggling to deliver the required provision across a dispersed geography.</p> <p>SDS has recently withdrawn a key product accessed by local businesses – Flexible Training Opportunities – which has left a gap in funding support training. There was no prior notice of this, nor any indication of whether this will be reintroduced. Better communication on issues such as this would be helpful.</p> <p>Due to our rural and remote geography a number of local employers struggle to access Modern Apprenticeships (MA) opportunities for their employees. A number of MA providers refuse to engage due to the costs they will incur when visiting the employers and their staff. We have a recent example of a local distillery that was refused support by GTG Training for warehouse/forklift training unless the company came up with a second employee to put through the MA scheme. Luckily this organisation was able to support a second employee but this would not be the case for the majority of our very small employers across Argyll and Bute. Such local issues need to be recognised by SDS.</p> <p>In addition, while Foundation Apprenticeships is a great initiative in principle, it is a struggle to implement Foundation Apprenticeships in any guise within Argyll and Bute as secondary school pupils do not generally live within commuting distance to a second secondary school or a college hub where this option can be delivered cost effectively as in the central belt. A local response is required for local delivery.</p>

Table A1: Responses to Call for Evidence Questions (continued)	
Reflections on the system of support	Response
5. What needs to change in the current system of support to make it simple and clear and help us deliver Scotland's vision	<p>There are number of changes that need to be made to the current system as follows:</p> <ul style="list-style-type: none"> • At present engagement is piecemeal particularly for the Helensburgh and Lomond administrative area who are supported by SE while the rest of the area is supported by HIE. Argyll and Bute needs to be treated as one region supported by one enterprise agency across the whole areas. • More focus on business support and skills development is required at the Argyll and Bute and sub-regional administrative area level. • One skills agency for Scotland. • Increased promotion and awareness of streamlined products/support available to businesses from HIE and SE. • Greater collaboration (building on current activity) and information sharing protocols agreed for all agencies. • Too many SDS providers across Scotland, no economies of scale. • SDS yearly contracting – too much short termism which impacts of the sustainability of local provision, coupled with the 42% cut in the Employability Fund budget for Argyll and Bute for 2016/17. • Mitigating 'mission creep' – clear roles and responsibilities for agencies.
6. What are the right: <ul style="list-style-type: none"> • roles; • services; • skills; and • behaviours needed from our agencies to support this transformation	<p><u>Roles</u> Better interaction of all agencies, where roles and responsibilities are clear, can only be a positive step for the customer. Treat Argyll and Bute as an entity and not split across regions of national focus.</p> <p><u>Services</u> Enterprise agencies to share more information at a local level. More local discussions about the planning and delivery of products and services available and appropriate to the local area. SDS has grown substantially over the last five years with a focus on Modern Apprenticeships and labour market intelligence. However, there is a need for greater engagement with the local business communities across Argyll and Bute to ensure this information is used effectively to help stimulate economic growth.</p> <p><u>Skills</u> Greater interpretation of data by SDS at a local level that businesses can digest and understand i.e. useful case studies. At present there is a plethora of reports and labour market intelligence.</p> <p><u>Behaviours</u> Respect the local and in Argyll and Bute's case the remote/rural and island dimension to delivery – particular issue for SDS – where awareness has to be given to the difficulty of delivery employability support to a small numbers of customers across a large dispersed geography. Greater focus on inclusive growth.</p>

Table A1: Responses to Call for Evidence Questions (continued)	
Reflections on the system of support	Response
7. How might we ensure this step-change reaches and benefits all of Scotland building on regional and local strengths?	<p>It is imperative that the review results in an improvement of outcomes, with power and resources being placed at the most appropriate level in order to improve those outcomes. In order to effectively tackle inequalities then it would seem appropriate to de-centralise decision making powers relating to local/regional economic development (enterprise and skills) and regeneration to local government from national agencies such as SE, HIE, SDS and SFC where decisions are made centrally. In addition, focus should be placed on delivery and the needs of local users, as opposed to delivering specific products and processes.</p> <p>Local government should have a greater influence and input to the strategic documents of the agencies under review, in order that these can truly meet the needs of local communities and promote inclusive growth.</p> <p>Utilising existing local performance measurement framework for data capture, monitoring and evaluation of outcomes would feed into the SOA process. This would allow for local flexibility, rather than imposing consistency across the Scotland that may not be appropriate for all areas.</p> <p>Greater cognisance needs to be taken of rural, remote rural to islands geography reflected in resourcing and funding.</p>
8. How would we know if the system is working better?	<p>Increased economic growth and opportunities at a local level. More clients supported with early stage business growth. Positive feedback from clients. More joint planning and collaboration activity.</p> <p>Monitoring population retention and growth – local intelligence and National Records for Scotland mid-year population estimates.</p> <p>Increased uptake of job opportunities across the region through consultation with employers and filling of Argyll and Bute Council vacancies given its status as one of the key public sector employers across the region.</p>

Table A1: Responses to Call for Evidence Questions (continued)	
Reflections on the system of support	Response
9. How might public resources be deployed more effectively to match priorities, deliver value for money, and flow through the minimum number of levels and organisations to the user?	<p>Local government spend solely on economic development activity has been collated by SLAED since 2012/13. For the last financial year, 2015/16 the Argyll and Bute Council EDST service contributed circa £1 million to regeneration activity which levered in excess of £1 million of additional funding. The figures do not include wider local government spend that also has an important impact on the economy, such as roads, planning, licensing, education, etc. This shows that with regard to the Scottish economic development landscape local government is a major player.</p> <p>More resources made available to Business Gateway to support clients pre growth pipeline – particularly if European funding ends.</p>
10. Is there any other published evidence, or good practice, which you would particularly highlight that you wish us take into account during the review?	SLAED annual Economic Indicators relating to economic development activity.