

ECONOMIC GROWTH TEAM ACHIEVEMENTS FOR 2022/23

1.0 HEADLINES

- 1.1 The purpose of this paper is to provide members of the Environment, Development and Infrastructure Committee with an update on the delivery of services and associated outcomes by the overarching Economic Growth Team, within the Development and Economic Growth Service, during 2022/23.
- 1.2 The overarching Economic Growth Team comprises of an Economic Growth Manager who has oversight over four teams as follows:
- Business Gateway
 - Employability
 - UK and External Policy
 - Economic Growth - Sectoral Opportunities and Investment
- 1.3 The content of this paper has been summarised into an infographic, see **Appendix 1**.

2.0 RECOMMENDATIONS

- 2.1 It is recommended that Members of the Environment, Development and Infrastructure Committee note and consider the update on the delivery of services in 2022/23 by the Economic Growth Team.

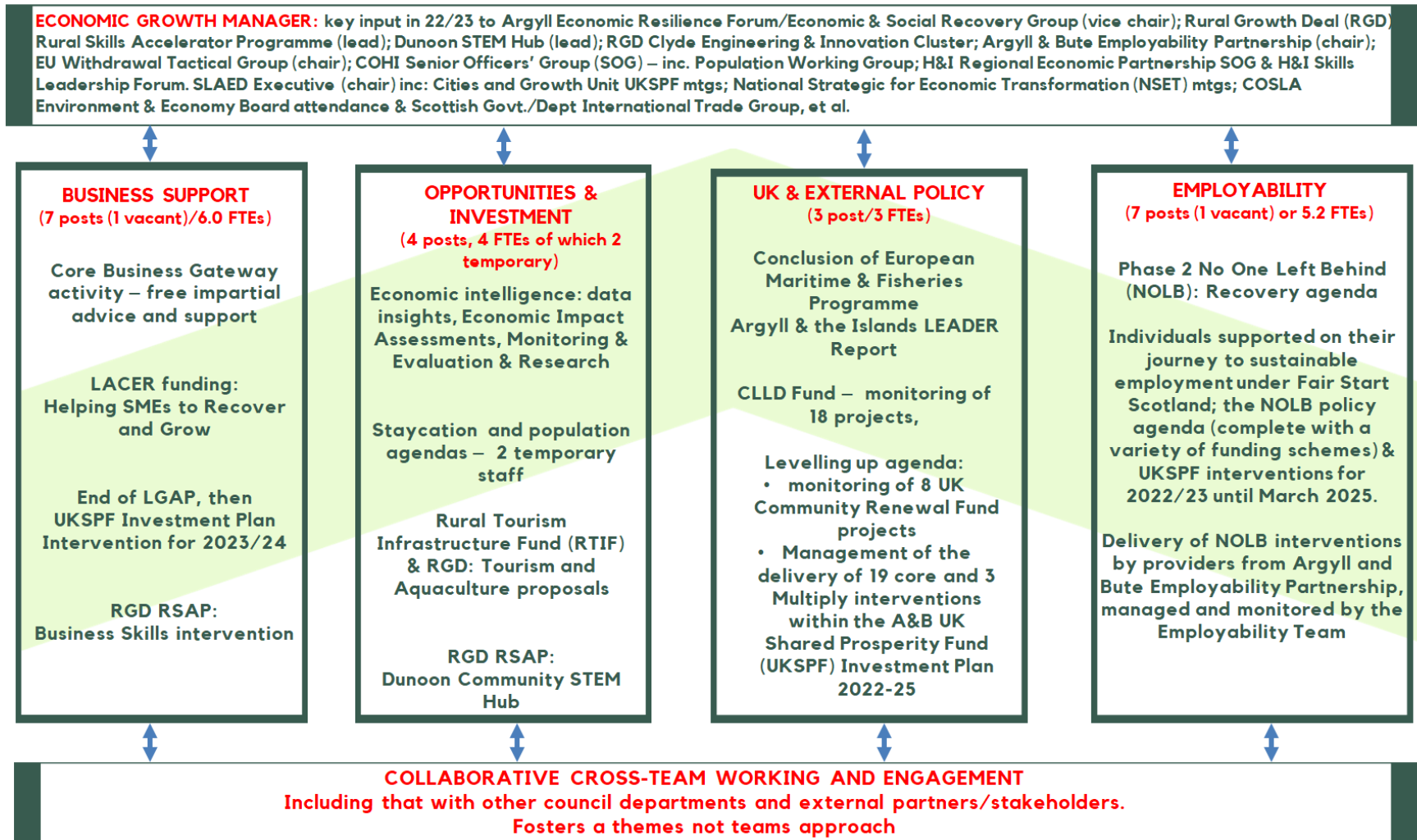
3.0 DETAILS

Background

- 3.1 The thematic focus of the Economic Growth Manager and the four teams is as outlined in **Figure 1** below, complete with the inclusion of key service interventions and activities delivered in a complementary and collaborative manner e.g. businesses being informed of employability funding to assist with recruiting specific targeted individuals/groups.

Figure 1

ECONOMIC GROWTH TEAM PRIORITIES 2022/23



BUSINESS SUPPORT

3.2 The key achievements by the Business Gateway Team with regard to their business support activity during 2022-23 are summarised below.

3.3 **Supporting new and growing businesses**, 2022/23:

- **425** business enquiries received locally
- **645** Business Adviser meetings
- **277** existing businesses supported
- **118** new start-up businesses supported

The customer satisfaction with regard to this activity was as follows:

- **87%** compared to a national average of 81%
- **93%** of recipients reported their business will benefit
- **95%** of recipients reported they would recommend the Business Gateway service.

“It was wonderful to be back in touch with Business Gateway – you have always been such a positive force and it is a real boost to have you with us as we launch Highland Biltong.” Source: Highland Biltong

3.4 **COVID Recovery Support - Local Authority COVID Economic Recovery (LACER)** Fund support from the Scottish Government during 2022-23 was administered by the Business Gateway Team who put in place two schemes:

- Small Business Development Grants; and
- Business Start Up Grants.

Taking each of these schemes in turn, the outcomes achieved were:

- **Small Business Development Grants:**
 - **74** Small Business Development Grants awarded **worth £354k** in total
 - Customer feedback:
 - 89% reported it will help them grow more quickly
 - 84% reported it will help them improve the quality of their business
 - 62% reported it will help them go ahead sooner with their development.
- **Business Start Up Grants:**
 - **44** Business Start Up Grants awarded **worth £148k** in total
 - Customer feedback:
 - 93% reported it will help them grow more quickly
 - 84% reported it will help them improve the quality of their business
 - 50% reported it will help them start the business sooner.

“In just six months the LACER grant has made an enormous difference to my business.” Source: Islay Prints

- 3.5 **DigitalBoost** is a national programme, with training and one-to-one expert help delivered by local Business Gateways. A total of £33k of DigitalBoost support was leveraged for Argyll and Bute businesses from Digital Scotland during 2022/23. Over the last financial year the take-up by businesses was substantive as outlined below. Despite its success, at present there is no future funding for DigitalBoost confirmed by the Scottish Government for 2023/24. During 2022/23:
- **364** Argyll and Bute businesses attended webinars to boost their digital skills
 - **77** businesses have received one hour surgeries with a digital expert
 - **17** businesses have received in depth support sessions with digital expert (1 to 2 days).

“The adviser was open to helping with my specific needs. It was tremendous personal technical support and development.”

Source: RefabriKate

“One to one is extremely valuable to a small business, with help for your specific business.” Source: Achnashelloch Farm Shop and Café

“We identified 10 actions to focus on to improve our digital strategy, well work the hours investment.” Source: Fyne Sea Tours

“Very focused advice on what I can change straight away.”

Source: Scottish Island Art

- 3.6 The **Business Gateway Local Growth Accelerator Programme** was a **£855k** programme of additional business support designed and administered by the Argyll and Bute Business Gateway Team leveraging in **£524k** of European Regional Development Fund money for the programme period 2014-2020.



The timescale for delivery was extended, due to the pandemic, with the programme closed to new applicants at the end of March 2023. The total awarded to businesses over the duration of the programme was **£851k** which comprised of **192 grants** and **66** in-depth specialist advice sessions. For 2022/23, **£111k of grants** were awarded across **33 grants** and **£20k** for **17 specialist advice** sessions to Argyll and Bute businesses for growth or recovery support.

Monitoring of 119 unique recipients followed up so far shows a positive impact with:

- an increase of **145 FTEs** (+40%)
- **£11.1m** of **turnover** (+53%)

“We would never have been able to achieve what we’ve done without the support of our adviser, the Business Gateway team and the Local Growth Accelerator Programme.” Fynewood Ltd

3.7 In 2022-23 Business Gateway piloted an **Intensive Online Growth Programme**, designed specifically to help business owners deliver a step change in their approach to achieve growth. It combined a range of tools and expert support with individual and group activities, tailored to create a practical and deliverable approach to driving growth. In total, **13** businesses took part in the 12 week programme. Feedback was positive with:

- **89%** - said they have been encouraged to think objectively about their business and their growth plans
- **67%** - felt supported through change
- **67%** - built confidence in their business and their skills and strengthened their business.

“It was a great to have the time and space to have fresh eyes and expertise on our business model, I appreciated being challenged and coached through some of the decisions that were needed, and it gave me a confidence in our ideas for the future.”

“...given me the tools to assess and test business growth strategies for development.”

“...helped us to focus, prioritise and have clear aims for the next few years.”

OPPORTUNITIES AND INVESTMENT

3.8 The achievements for service delivery under the opportunities and investment theme are outlined below in **Table 1**, with a focus on four key areas of delivery:

- Rural Tourism Infrastructure Fund – where the council is an accountable body/conduit for this funding.
- Economic Growth/Development activity – supported by external funding.
- Staycation Fund and interventions – key Argyll and Bute Council priority.
- Settlement project is under the repopulation agenda, supported by the Scottish Government, Highlands and Islands Enterprise and the Convention of Highlands and Islands supported by the Highlands and Islands Regional Economic Partnership. As agreed by Argyll and Bute Council during 2022, the repopulations zones across the council areas are:
 - Tiree and Coll
 - Kintyre
 - Bute
 - Rosneath Peninsula.

Table 1: Opportunities and Investment: Key Areas of Delivery and Outcomes for 2022/23	
Rural Tourism Infrastructure Fund	
Project	Funding
Staffa Landing Facility Development	£447,000
Glen Lochy Car Park and Glen Orchy Car Park Developments	£333,000
South Islay Motorhome Park Development	£370,000
Glen Lochy and Glen Orchy Car Parks Design	£35,000
Benmore Gardens Car Park Design Grant	£20,000
Glen Loin Car Park Design Grant	£20,000
Total Rural Tourism Infrastructure Funding	£1,225,000
Economic Growth/Development	
Project	Funding
Glenmorag Project	£100,000
Island Skills Fund	£50,000
Food & Drink Strategy	£30,000
Total Economic Growth/Development Funding	£180,000
Staycation Fund and Interventions	
Project	Funding / Outcomes
Staycation Fund	£600,000 / Support for over 30 staycation projects
Portaloos	18,800 users in 2022, with 77,220 litres of waste disposed of correctly
Motorcaravan Overnight Parking Strategy	Funding secured for 10 motorcaravan overnight parking sites
Influx of Visitors	Helped manage the 9% rise in motorcaravan use
Waste Disposal	6 seasonal waste disposal tanks supported
Settlement Project – Prepopulation Agenda	
Project	Funding / Outcomes
Settlement Project Support Officer	£50k – all on-costs for 2022/23 (funding secured for 2023/24)
Understanding	350 resident responses to online consultation, with 20 community interviews and 4 community engagement visits.
Promoting	Updated Argyll and Bute MyJobScotland space. Recorded a graduate podcast with the council's CEO and supported the reorganisation of the Employability web page.
Supporting	One Resettlement Flyer developed and 4 key community contact lists completed. Actively collaborate with settlement officers in Uist/Highland to support active relocation.
Encouraging	10 Resettlement Case Studies developed from those who have made the move to Argyll and Bute

UK AND EXTERNAL POLICY

3.9 During 2022/23 the UK and External Policy focus of Economic Growth acted as the Accountable Body for a number of funding streams, all of which had to be delivered in very short timescales, as money was awarded in the latter part of the delivery year of 2022/23.

3.10 **Table 2** outlines the UK and External Policy Team achievements, which includes the preparation of the UK Shared Prosperity Fund Investment Plan, 2022-25, led by the Economic Growth Manager, with input from the teams across Economic Growth, other council departments and external partners/stakeholders.




Table 2: UK and External Policy Achievements 2022/23	
Completion of the European Maritime and Fisheries Fund	
	
Six projects support across Argyll and Bute	Total Funding
<ul style="list-style-type: none"> • Feasibility of Seaweed Farming • Piers Improvements Ulva (Preparation for Capital Works) • Commercial Fuel Berth Tobermory • Ulva Pier Improvements • Aird Fada Seaweed Farm • Clyde Fisherman's Association Project Enabler - Fishing Communities 	£985,184
Community Led Local Development Fund, 2022/23	
Through the establishment of a Local Action Group (latter part of 2022/23) who approved a total of 18 projects that were successfully delivered, with the Economic Growth Manager and this team acting as the Accountable Body.	£697,143
UK Government's Levelling Up Agenda	
 UK Government	
UK Community Renewal Fund – co-ordination of bids and financial monitoring of 8 projects	Total Funding
<ul style="list-style-type: none"> • Curriculum Development for STEM Hubs Project • Driving Economic Growth Through A Bounce Back Curriculum For Argyll & Bute • MACC Hydrogen Futures Viability stud • Optimising carbon sequestration for community wealth building • Recovery and regeneration of Tarbert • The Dunoon Project Stage Two • The Seaweed Academy • West Coast UAV Innovation Logistics and Training Hub 	£1,990,597

Table 2: UK and External Policy Achievements 2022/23 (continued)		
UK Government's Levelling Up Agenda		
 UK Government		
Argyll and Bute UK Shared Prosperity Fund Investment Plan, 2022-25		
Core Investment Priorities	No. of projects	Allocation
Communities and place	7	£1,154,012
Supporting local business	6	£1,150,153
People and skills	6	£1,265,139
Total	19	£3,569,304
Multiply	No. of projects	Allocation
Adult numeracy projects	3	£229,892

- 3.11 As shown in **Table 2** above, there are 19 interventions (projects) under the core UK Shared Prosperity Fund (UKSPF) which has a total project budget of £3,569,304.
- 3.12 The Multiply allocation within the Argyll and Bute UKSPF Investment Plan has been ring-fenced to deliver adult numeracy programmes/projects, with a total budget of £745,258. There are currently three projects under the Multiply intervention, with a total value of £229,892. The balance of the funding (£515,366) still has to be awarded and a procurement exercise is expected to be completed by the end of August 2023 to award contracts for the balance.

EMPLOYABILITY

- 3.13 The Council's Employability Team within Economic Growth operates as a commercial service, supported solely by external funding and receives no financial support from the council. The team successfully manages the delivery of Scottish Government funding through numerous No One Left Behind (NOLB) funding interventions, delivered by the team and other delivery partners across the whole of Argyll and Bute, see: [Helping people into work \(argyll-bute.gov.uk\)](https://www.argyll-bute.gov.uk/helping-people-into-work). These partners are members of the Argyll and Bute Employability Partnership which is chaired by the Economic Growth Manager.
- 3.14 Through formal service level agreements, the Employability Team has managed and monitored the delivery and performance of NOLB funding interventions by external delivery partners. During 2022/23 a total of **289** vulnerable individuals have been supported across the whole of the Argyll and Bute Council area.
- 3.15 In addition the activities and outcomes for 2022/23 delivered solely by the Employability Team are summarised in the paragraphs below.

3.16 Under the **No One Left Behind 25+ Employer Recruitment Incentive (ERI)** delivered on behalf of the Scottish Government:

- **8 participants** supported between June 2022 to March 2023. **1** leaver has moved into work with another employer and the other **7** continue to be supported.
- **6 employers** accessed the funding.

3.17 **No One Left Behind – Argyll and Bute Employer Recruitment and Training Incentive (ABERTI)** delivered on behalf of the Scottish Government:

- **11 participants** in subsidised employment between 1st April 2022 to 31st March 2023, with **10** retained in permanent contracts by employer post funding.
- **11 employers** accessed the funding.

3.18 The **Young Person’s Guarantee ERI** delivered on behalf of the Scottish Government:

- **52 participants** commenced subsidised employment between 1st April 2022 to 31st March 2023
- **10** early leavers, **1** in an apprenticeship with another employer, **1** returned to school and **8** whereabouts unknown.
- **44 employers** accessed the funding.

3.19 **Parental Employability Support Fund (PESF)** delivered on behalf of the Scottish Government:

- **18** parents commenced support 1st April 2022 to 31st March 2023 (15 unemployed/3 low income employed).

Of these **18** parents:

- **3** have ceased support due to health issues/moving from area.
- **3** have increased their household income.
- **1** is in full time education.
- **10** are currently undertaking training.
- **1** has entered employment.

During 2022/23 the Employability Team introduced a **Parental Transition Fund** aimed at parents receiving support through the PESF who successfully secure employment – it helps covers some transition to work costs, see [Parental Transition Fund \(argyll-bute.gov.uk\)](https://www.argyll-bute.gov.uk/parental-transition-fund)

3.20 The Employability Team delivers **Fair Start Scotland** on behalf of PeoplePlus. During 2022/23 the achievements for our vulnerable residents are as follows:

- **83** participants commenced support 1st April 2022 to 31st March 2023.

Of these 83 participants:

- **26** moved into work and in work support delivered.
- **26** exited the service early
- **31** continuing to receive pre-work support.

- 3.21 Some of the feedback and comments to the key workers in the Employability Team received by participants on employability support programmes are noted below.

“I just wanted to send a wee quick message to you to thank you for helping me. I cried when I came off the phone to you. I've been trying so long for this and was desperate to get a break and I'm actually now feeling so positive about the future”.

“Just to let you know I passed my HGV driving test this afternoon!! It still feels like a dream. I'm still in shock. Just wanted to say thanks so much for what you did. I couldn't have done this without you. I've finished reading the book you recommended so it's onwards and upwards for me now.”

“Thank you so much for the support I have received to date. There is no way I would have been able to afford to pay to put myself through this course, and the fact that you paid for all the resources I needed to help me through my course was amazing. It was also great to know my PESF support Worker was only a call away if I had any queries or needed help with anything. Thank you!”.

“I always feel so much better after talking to my Fair Start Keyworker and having appointments keeps me going.”

“My life has completely changed and I feel that without your help and support and the opportunity afforded by Fair Start Scotland I would not be where I am today.”

OTHER SUBSTANTIVE AREAS OF WORK

- 3.22 The Economic Growth Manager works with staff across all the teams and themes under the overarching Economic Growth Team. A summary of other activities and interventions delivered is outlined in **Figure 1**. However, one substantive area of work for the manager is the officer lead for the Rural Growth Deal, Rural Skills Accelerator Programme (RSAP), where good progress has been made during 2022/23 to develop outline business cases for the overarching RSAP and its component parts. Elements of the proposals have been taken forward already, due to £807,000 of match funding, mainly from external sources, this includes the creation of a Dunoon Community STEM Hub.
- 3.23 The work on the Council's Economic Strategy Refresh commenced in the latter part of 2022/23 and a separate paper has been prepared for members on this important and substantive area of work, to be project managed by the Economic Growth Manager, with key alignment to the work underway to revise the Argyll and Bute CPP Local Outcome Improvement Plan.

4.0 CONCLUSION

- 4.1 The purpose of this paper is to provide members of the Committee with an update on the wide-ranging activities of the overarching Economic Growth Team during 2022/23, including delivery of the services and associated outcomes in compliance with funding requirements.
- 4.2 Although the activities and outcomes seem quite disparate there is an underlying theme of collaboration, facilitation and complementary work across the teams under Economic Growth, with extensive collaboration with other council teams, the third sector, government agencies and commercial companies. A lot has been achieved during 2022/23 by small teams of staff.
- 4.3 Going forward into 2023/24, and beyond, will see a number of additional interventions across all of the Economic Growth Teams with outcomes supported by funding streams such as the UK Shared Prosperity Fund, in addition to ongoing activity funded by the Scottish Government.

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 – numerous external funding streams, as detailed in the paper.
- 5.3 Legal - all appropriate legal implications have been taken into consideration.
- 5.4 HR – none.
- 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 project activities have complied with the council's socio-economic duty.
 - 5.5.3 Islands – interventions have been delivered across the Argyll and Bute area, including island communities.
- 5.6 Climate Change – there are a number of net zero and climate resilience interventions supported within the Argyll and Bute UK Shared Prosperity Fund Investment Plan.

5.7 Risk – ongoing delivery of opportunities afforded by external funding has only been possible with associated revenue funding. However, many funding sources are only for one year, which makes staff recruitment and retention difficult, particularly in an area such as Argyll and Bute with many remote rural and island communities. Through various officer networks, such as Scottish Local Authorities Economic Development group, focus has been given to the need to influence funding bodies on the benefit of multi-annual funding streams.

5.8 Customer Service – None.

Executive Director with overall responsibility for Development and Economic Growth:

Kirsty Flanagan

Policy Leads for Economy and Rural Growth, Islands and Business Development and Strategy Development:

Councillor Redman, Councillor McCabe and Councillor Currie respectively

18th May 2023

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APPENDIX 1: infographic on Economic Growth Team Achievements for 2022/23