

**Dunbartonshire Local Economic Forum**

**Strategy 2006-2009**

**Draft 2 – 22 September 2005**

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## 1 Introduction

This document sets out the second three-year strategy prepared by the Dunbartonshire Local Economic Forum (LEF). In preparing it the LEF has considered both:

- past experiences and the lessons learned from LEF operations
- future challenges in a changing economic context for Dunbartonshire, the Glasgow City Region and for Scotland

It is the view of the Dunbartonshire LEF that it must now adopt a clearer and more narrowly focused role in contributing to developing the economy.

Reflecting this new agenda the rationale for the contents of this strategy is to:

- achieve impact at a Glasgow City Region level
- support Scottish level strategic development objectives
- develop sustainable competitive advantage in Dunbartonshire organisations
- require multi-partner engagement to enable delivery
- set out a role for the LEF as a niche player with both strategic thinking and delivery roles
- offer strategic leadership and challenge for Dunbartonshire's stakeholder organisations
- offer a route to more effective engagement by the private sector in the region's economic development

This strategy will not:

- replay activities from within individual stakeholder strategies or operating plans
- present lists of established projects and programmes
- avoid making decisions about priorities and thereby 'spreading the jam too thinly'
- propose excessive or inconsequential measurement frameworks that do not track progress on the critical issues set out in this strategy

This strategy does not set out to address every economic development issue in Dunbartonshire. It will focus on driving the *causes* of economic growth, rather than dealing with the *effects* of there not being enough growth. We believe that this offers a more attractive and business-orientated case for private sector participation based on growing opportunity and demand. This leaves a clear public sector role in correcting market failures that could constrain that growth.



## 2 Dunbartonshire – A Changing Context

The 2005 Metropolitan Glasgow Economic Audit produced a base of evidence and analysis to help guide the development of the regional economy. As part of the city region, Dunbartonshire is subject to the key strategic choices set out in that work as the challenges for 'step change' in:

- **building the business and employment base** – the stock of businesses in the metropolitan area is substantially lower in comparison to the rest of Scotland and the UK. Hence there is not enough wealth and employment creating capacity in the region and this must be increased
- **raising the quality of the business and employment base** – recognising the need for increasing competitiveness across all sectors and the migration of manufacturing and service jobs overseas, local companies need to generate higher added value outputs and incomes, and stimulate the growth of higher skilled and higher paid jobs
- **selecting key sectors and using our assets** – the Glasgow area has a relatively low degree of sector specialisation in comparison to all other UK city regions and there are no significant clusters. Building on existing, and developing appropriate new, specialisms offers a route to competitive advantage
- **building from the bottom up** – growing self employment, which is significantly under-represented in Glasgow, will contribute more micro-business and may offer a route to tackle worklessness as well as building the business base, this is an alternative to making 'big bets' on key sectors

The LEF will focus on contributing to success in these factors where Dunbartonshire can make a positive contribution at the City Region level as well as locally.



### 3 Priority Issues for Growth

The selection of priorities is based on the rationale and the economic issues set out in the previous sections. The choices have been made by identifying those areas that offer the best match between current assets and maximising leverage from development opportunities. The priority contributions that Dunbartonshire could make at the City Region level have roles in being both:

- place specific – offering a readily identifiable and tangible focus for activity that enables close identification with its role and contribution at the city region, and Scottish levels. In the diagram attached these are presented as **Wealth Hubs**
- sector specific – recognising the benefits of activities that are identified with national level priorities and enable concentration of technical competences that will deliver a distinctive and sustainable competitive advantage based on **Sectoral Specialisms**

For each of these a third category **Delivery Focus** is added with three elements that reflect Smart Successful Scotland and the already well understood needs of the Dunbartonshire economy. These are:

- **business base improvement** – addressing both the underperformance of the economy in the creation of businesses, and the need to ensure that Dunbartonshire's businesses make progress in increasing their value add and the quality of employment opportunities
- **people development** – supporting both those in work, to help them improve their individual and business competitiveness, as well as those coming into the labour market as young people or adults returning to work
- **enhancing attractiveness** – recognising Dunbartonshire as a place that is a contributor to the Glasgow City Region and that simultaneously competes with and complements parts of it in attracting and retaining the people and businesses that will drive growth

The choice of priorities in this strategy is based on maximising leverage possibilities where a wealth hub is underpinned by a sectoral specialism, which is in turn strengthened by that wealth hub. These combinations offer specific opportunities for delivery focus on higher impact outcomes for Dunbartonshire and the city region, as well as contribute to national level objectives.



### 3.1 Wealth hubs

This strategy sets out three wealth hubs for Dunbartonshire's contribution at a city region level. These are:

**Clydeside Regeneration** – the physical renewal of the Clyde riverside extending from central Glasgow through Clydebank and down the river. This will provide opportunities to attract new residents and businesses as well as deliver a step change in the physical attractiveness of the area.

**Loch Lomond and Clyde** – the ongoing development of the tourism product in Dunbartonshire built around the global branding potential of Loch Lomond, the National Park and the River Clyde

**Beatson, Gartcubie and Golden Jubilee** – Development of healthcare and life sciences industries around the established facilities and hardcore science based on these sites and working with their supporting academic institutions

It is important to recognise that none of these is based on a single location, but all three have regional, national or international 'flagship' potential in projecting Dunbartonshire as progressive and successful.

### 3.2 Sectoral specialisms

Each of the wealth hubs is underpinned by a sectoral specialism that has strategic significance at the Scottish level and has the potential to make high impact contributions to the Dunbartonshire economy. These are:

**Construction** – identified at a Scottish level as an employment growth industry which has particular value in providing work opportunities for both young people and adults across a range of skills. This is an important agenda for the West of Scotland and the Scottish Construction Industry initiative is led by SE Glasgow. More effective engagement with employers is essential to ensure that these employment and training opportunities for Dunbartonshire people are realised.

**Tourism and Leisure** – Dunbartonshire is an important player in the Scottish tourism business, the development of Loch Lomond and the creation of the National Park offer a platform to develop that further. There is recognition of the need to lift levels of quality, productivity and innovation in the Scottish tourism product and cascade that through the sector. This will be critically dependant on engagement with the private sector operators.

**Healthcare and Life Sciences** – the importance of life sciences to Scotland is well evidenced in the national level investment in the ITI and in the significance of Glasgow's international reputation and attractiveness in aspects of medical research and healthcare. However, there is much to be done to reflect those academic strengths in the development of Scottish globally competitive healthcare businesses and in the high value employment opportunities those businesses offer. The role of public sector employers in healthcare and higher education is recognised as critical.



### 3.3 Delivery focus

The delivery focus for the LEF strategy in support of the wealth hubs and sectoral specialisms proposed is defined as:

#### **Business Base Improvement – *more and better businesses***

- New business creation in tourism and life sciences – both of these established as priorities at the city region level in line with eg City Science in Glasgow
- Inward investment – recognising that both the life sciences and tourism inward investment strategies will be highly niche and focused around specific locations
- Innovation – linking with Scottish level initiatives in tourism innovation and eg the Proof of Concept funding in relation to relevant academic research and development. Using physical regeneration to drive up the innovation and competitiveness of construction companies

#### **People development – *more employment at higher skills***

- People into Employment – recognising the opportunities to get many of Dunbartonshire's longer term unemployed and vocationally oriented school leavers into training and work opportunities in construction and tourism. The role of employers in this, and the difficulties to date, are recognised as an area for further work
- Workforce development – the problems of workforce development in the life science and tourism sectors are quite different but the benefits to the competitiveness of the people and businesses of Dunbartonshire are the same. The size and nature of many of these businesses offers particular challenges that have to be solved across Scotland in its tourism and science based small businesses
- Leadership development – the leadership and management competencies of those charged with creating and growing the business base are a critical success factor in the wealth hubs and other industries. The relative concentration in these sectors offers opportunities for Dunbartonshire to develop distinctive competencies in improving management and leadership competencies

#### **Enhancing place attractiveness – *more people wanting to come here***

Dunbartonshire's 'reach' in terms of whether these priorities should be targeted and resourced to have impact at the level of significance:

- City region impact
- National reach and impact
- International reach and impact

Both the tourism and life sciences components have the potential to make an international level contribution. However much of the direct economic impact will be as a result of local activity and a balance will be required to ensure optimal benefits and the highest level outcomes.



## 4 Releasing Constraints to Growth

The LEF recognises three areas of activity where work could help stakeholders release constraints to economic growth and development. These are:

- external lobbying
- efficient public services
- improving futures awareness and appreciation of change

### 4.1 External lobbying

There are genuine brakes to progress in Dunbartonshire over which the LEF and other individual stakeholders have limited direct control. The role of the LEF is therefore to:

- gather appropriate information and flag these issues up
- assess the opportunity costs being incurred
- lobby appropriate agencies to have these issues addressed, prioritised and resolved

Examples include:

- transport links – the location of Dunbartonshire on the north and west of the city region has long been recognised as an important constraint to both personal and commercial mobility. This impacts both individual and business locational decisions and is recognised as a significant constraint to growth
- planning processes – frequently raised as an issue by the business community in terms of both the complexity of the processes and the timescales involved in concluding planning applications
- quality of public service delivery – the attractiveness of Dunbartonshire and Glasgow to new talent will be increasingly influenced by perceptions of the quality of services such as education, health and community safety that potential investors and their families would expect

The LEF has no power to change either of these issues however it will lobby at the appropriate political and administrative levels to project the case for Dunbartonshire and its development.

### 4.2 Efficient public services

A culture of collaboration in innovation and continuous improvement across Dunbartonshire's stakeholders will support the delivery of economic development services, and increase the attractiveness of the area for talent and businesses. Identifying and developing the appropriate competencies across the area will accelerate Dunbartonshire's competitiveness.

Dunbartonshire has seen significant development of partnership working processes and the LEF believes that it is worthwhile continuing to refine and



develop them. Early LEF work in looking at business support mechanisms proved that multi-agency working in environments where organisations must respond to new ministerial initiatives tends to give rise to ‘institutional clutter’ that requires ongoing review and maintenance to:

- draw on and recycle learning from the best experience
- ensure early recognition of redundancy
- identify new needs and responses as quickly and flexibly as possible

#### **4.3 Improving futures awareness and appreciation of change**

The LEF believes that it has a key role in helping stakeholders and agencies in Dunbartonshire achieve a higher level of awareness and appreciation of the longer-term threats and opportunities facing the region. Greater levels of futures awareness will increase our organisations’ preparedness for change and thereby our likelihood of yielding better benefits from those changes.

The LEF recognises that individual organisations and businesses do not have the time and resources to devote to this work and a LEF facilitation role will deliver a value add for all players. This work should include:

- pooled research and foresighting work on key issues for Dunbartonshire and the city region
- challenging and provocative presentation of the findings to the public and private sector stakeholders
- gathering responses and driving up the quality of strategic thinking and planning in the area making it more resilient and future focused





## 5 Performance Measures

Dunbartonshire is subject to an array of performance measurement systems. The LEF will not want to add to or duplicate these. The success of this strategy will be measured in success and progress on the key projects

(These will be done when the key themes are agreed).



## 6 LEF Role and Leadership

For a LEF strategy to carry any weight the LEF itself must have a clear role that is recognised by stakeholders across the region. In this strategy we set out these roles as:

- strategic leadership
- effective partnership working
- accelerating performance

### 6.1 Strategic leadership

The LEF must become the 'voice' of Dunbartonshire and be viewed as this by partners and the wider community and it should be central to economic development in the area. The LEF should be contributing to regional and national level issues and should be a forthright advocate of the case for Dunbartonshire.

### 6.2 Effective partnership working

There must be more active communication channels between the LEF, the partners, the sub groups and the Community Planning community within which it sits. The LEF has a role in providing more direction as to the rationale for the strategy, highlighting the benefits to all partners and the wider Dunbartonshire area. The LEF should be a driver of Community Planning ie we need people from community planning around the table.

There will need to be more formal reporting of progress on activities coming from the LEF strategy and better clarity of actions coming from meetings.

### 6.3 Accelerating performance

The LEF will have a focus on activities that add value to the local economy by driving up performance in the wealth hub 'flagships'. LEF partners also have a role to play in, for example, supporting SED build a case for attracting increased resources from SE. The LEF will focus more on deliverables, setting out actions and timescales.

The remit of the current sub-groups will be reviewed and aligned to each groups' respective roles and responsibilities. This could relate to alignment with wealth hubs or it may be themed to cross-cut the three delivery focus themes.

# Dunbartonshire LEF – Strategy Framework

