



Inverclyde Alliance

AGENDA ITEM NO: 11

Report To:	Inverclyde Alliance Board	Date:	13 March 2023
Report By:	Director, Environment and Regeneration, Inverclyde Council	Report No:	
Contact Officer:	Jennifer Horn	Contact No:	01475 715573
Subject:	Inverclyde Task Force Update		

1.0 PURPOSE

1.1 The purpose of this report is to provide the Inverclyde Alliance Board with an update on the Inverclyde Task Force.

2.0 SUMMARY

2.1 Since its inception three Task Force meetings have taken place, namely in June 2022, October 2022, and January 2023. These meetings have been multi-agency meetings involving the UK Government, Scottish Government, Inverclyde Council, and many national and local organisations.

2.2 The Inverclyde Task Force paper which was noted at the meeting of the Inverclyde Council on 1 December 2022 set out that there would be six-monthly update papers, however due to the recent news regarding the potential closure of Amazon's Fulfilment Centre in Gourock it was considered necessary for an update paper following the January Task Force meeting. The report also includes an update on localities and engagement.

3.0 RECOMMENDATIONS

It is recommended that the Alliance Board note the activity of the Inverclyde Task Force.

Stuart W. Jamieson
Director Environment and Regeneration

4.0 BACKGROUND

- 4.1 The Inverclyde Task Force was set up to address the socio-economic imbalance which Inverclyde currently faces. Three Task Force Meetings have now taken place. The first in June 2022, the second in October 2022 and the third in January 2023. All three have had Ministerial presence and they have been supported by senior civil servants from both the UK and Scottish Governments, senior officers from public sector agencies, as well as support from local stakeholders such as West College Scotland and the Inverclyde Chamber of Commerce.
- 4.2 The first meeting focused on the Fraser of Allander report with a presentation from Professor Mairi Spowage. Discussions at the meeting then focused on the importance of addressing population decline, increasing affordable housing, implementing employment initiatives, and improving local infrastructure.
- 4.3 At the October Task Force there was a presentation on the bids that were underway for Shared Prosperity, Levelling Up, Green Freeports as well as projects that had secured funding and are being delivered; Greenock Ocean Terminal, Inchgreen and Inverkip. The Chamber of Commerce presented findings of the business survey through which members highlighted key challenges such as recruitment, connectivity, and increasing costs. A presentation on a land and business premises survey highlighted that while there was some availability some land/properties required significant investment before they could be developed therefore making them less competitive when compared with sites where investment has been made to increase the attractiveness of land/property. Further updates were also given regarding the work of the Local Employability Partnership and the Economy Group by the Chief Executive and the Interim Director – Environment and Regeneration respectively. The minutes are available at Appendix 1.
- 4.4 The third Task Force meeting took place on 23 January 2023 and the agenda included: Amazon, updates from sub-groups, presentation from the Glasgow City Region Intelligence Hub and update on bids.

4.5 Amazon

The Minister for Business, Trade, Tourism and Enterprise gave an update on his discussions with Amazon regarding their announcement to close the Gourrock Fulfilment Centre. He stated his disappointment regarding the lack of information been given by Amazon from his first meeting but went on to advise that they have agreed to continue engagement. The Minister indicated that Skills Development Scotland are leading through their Partnership Action for Continuing Employment (PACE). At this time discussions centred around whether it is possible for Amazon to continue operating from Gourrock and then supporting the employees to move to alternative employments/training. In addition, the Minister stated that Amazon had agreed to engage with the Task Force meetings and through discussions it was agreed that a separate subgroup with the sole focus of Amazon should be created. Further discussions highlighted that many organisations had been approached by local employers who have presented employment opportunities for any Amazon employee. It was agreed that SDS should be the lead organisation and any information or offers of support should be channelled through SDS to ensure that information was coordinated and clear.

4.6 Subgroup Updates

The Director, Environment and Regeneration gave an update on the business subgroup which has had its first meetings. It is hoped that, through members networks and opportunities explored to attract other businesses and individuals to Inverclyde. In 2020/21 Inverclyde had a strong business start-up rate which exceeded the wider Renfrewshire target despite the impact of Covid. In 2021/22 the start-up rate continues to be strong and exceeds the numbers achieved for the same quarters in previous years.

4.7 The Director of Environment and Regeneration also updated that officers are exploring opportunities for cluster and growth sectors, particularly in the marine and manufacturing sector. Discussions are taking place with key businesses/employers and also with the UK and Scottish Government officials.

4.8 The Chief Executive provided an update on the Local Employability Partnership and the decision to create a separate Task Force subgroup which is due to have its first meeting on the 10 February 2023. In addition, the Chief Executive gave an update on the progress of the HSCP who are working to create a Social Care Academy.

4.9 **Intelligence Hub – Presentation on Skills Gaps and Opportunities**

The Glasgow City Region Intelligence Hub provided a presentation on how Inverclyde can assess at a very local level the gap in skills, what is required now and what is required for the future and options/opportunities to boost skills and employability. The Intelligence Hub carried out a desk top based study, building upon the recommendations of the Fraser of Allander report which was presented at the first Task Force. The Intelligence Hub highlighted challenges of low business activity, skill supply to meet employment demand, and the scale of the inclusion task. They also highlighted opportunities of building on existing specialisms and opportunities that are place specific e.g. marine, opportunities e.g. human health and growth sectors e.g. scientific and technical activities. The presentation concluded with next steps which is recommended to further the desk top study with community and business engagement.

4.10 **Update on Bids**

The Director of Environment and Regeneration gave an update on Green Freeport and Levelling Up bids. The Clyde Green Freeport was unfortunately unsuccessful. The Clyde Green Freeport Bid was a partnership between AGS Airports' Glasgow Airport, Mossend International Railfreight Park, Peel Ports' Clydeport, Renfrewshire Council, North Lanarkshire Council, Glasgow City and Inverclyde Council. The partners are working with the UK and Scottish Governments to learn from the bid and where possible realise elements of the bid.

4.11 Inverclyde Council's bid to the UK Government's Levelling Up to transform the heart of Greenock Town Centre was successful. Inverclyde Council has been awarded £19.39m, the full amount asked for, of a £21.586m project to create new civic spaces, a restructured more outward looking town centre retail offer, improve links between various parts of the town centre and the waterfront and build in capacity for a potential new education/college facility or town centre housing. The Levelling Up Fund project will remove the A78 flyover bringing the road to ground level to increase access, remove the bullring roundabout, and 40 per cent of the existing indoor retail space in the Oak Mall, including Hector McNeil House.

5.0 **IMPLICATIONS**

5.1 Legal: None
Finance: None
Human Resources: None
Equality and Diversity: None
Repopulation/Inequalities: The Task Force is aiming to achieve outcomes of the LOIP in relation to depopulation, economic development, employability and creating a successful place.

6.0 **CONSULTATIONS**

6.1 N/A

7.0 **LIST OF BACKGROUND PAPERS**

7.1 N/A

**Minutes of the meeting of the
Inverclyde Taskforce Group
Monday 24 October 2022 at 10.30 am
Via Webex**

PRESENT

Stuart McMillan	MSP (Chair)
Councillor Stephen McCabe	Leader of Inverclyde Council
Louise Long	Chief Executive – Inverclyde Council
Councillor Elizabeth Robertson	Inverclyde Council
Councillor Lynne Quinn	Inverclyde Council
Councillor Graeme Brooks	Inverclyde Council
Ruth Binks	Corporate Director Education, Communities & Organisational Development – Inverclyde Council
Stuart Jamieson	Interim Director – Environment & Regeneration – Inverclyde Council
Jennifer Horn	Regeneration Manager – Inverclyde Council
Lord Offord of Garvel	Parliamentary Under Secretary of State to the Scotland Office
Heather Allan	Executive Assistant to Lord Offord
John Cooper	Special Advisor to the Under Secretary of State to the Scotland Office
Sharon Kelly	Head of Operations (West Region) – Skills Development Scotland
Paul Zealey	Regional Skills Planning Lead – Skills Development Scotland
Liz Cameron	Director and Chief Executive, Scottish Chambers of Commerce
Mark Spragg	President – Inverclyde Chamber of Commerce
David McCarrey	Area Commander – Scottish Fire and Rescue Service
Liz Connolly	Principal – West College Scotland
Hisashi Kuboyama	Development Manager – Federation of Small Businesses
Ronnie Cowan	MP
Gavin McDonagh	Riverside Inverclyde
Andrew Docherty	Glasgow City Region Lead – CLGU Scotland
Miriam Simpson	Head of City Deals & Levelling Up, Scotland Office
Colin Cook	Scottish Government Official
Ivan McKee MSP	Minister for Business, Trade, Tourism and Enterprise
Patricia Dowd	Department for Work and Pensions

IN ATTENDANCE

Lisa Mitchell	Chief Executive's Office
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APOLOGIES

Laurence Rockey	Director – Scotland Office
Lauren Bruce	Scotland Office
Councillor Michael McCormick	Inverclyde Council
George Barbour	Service Manager: Communications, Tourism and Health & Safety – Inverclyde Council
Jamie Greene	MSP
Neil Bibby	MSP

ACTION

1. (a) Welcome, Apologies & Introductions

Stuart McMillan (Chair) welcomed everyone to the meeting and introductions were made.

(b) Actions of Previous Meeting – 27 June 2022

Louise Long explained that there was an officer group and 2 subgroups; one for economy chaired by Stuart Jamieson and Louise will join the Local Employability Partnership Group to ensure sufficient focus in the right areas.

2. Current Bids

Stuart Jamieson gave a presentation on the current bids for Inverclyde and live regeneration projects. The following was highlighted:

- **Greenock Ocean Terminal** – new dedicated cruise passenger is being built with a museum, gallery space and restaurant. It is expected that there will be 184,900 visitors to Greenock in 2023.
- **Inchgreen** – joint venture, created between the Council with Peel Ports – unlocked deep water marine access with investment of £9.3 million for the area to the West of the Dry Dock. Other than having preferential rates for JV users, the Drydock remains exclusively within the control of Peel.
- **Inverkip** – trunk road improvements at Main Street and Brueacre. Business Case will be submitted to City Deal PMO by April 2023.
- **Shared Prosperity Fund** – awaiting feedback.
- **Levelling Up Fund** - £22 million bid for Greenock Town Centre. The bid proposes the removal of 40% of the Oak Mall Shopping Centre and the bullring car park) and creates a cultural venue.
- **Clyde Green Freeport bid** – awaiting feedback. Air, rail and water bid across the City Region.

Stuart McMillan thanked Stuart Jamieson for his presentation and opened up the meeting for questions / comments.

Councillor McCabe asked for an update in relation to the Drydock at Inchgreen. Stuart advised of the following:

- Extensive discussions took place with Scottish Salmon in relation to the development of a processing plant for the drydock but unfortunately Scottish Salmon have confirmed they have pursued another area.
- Marketing of the site is underway but infrastructure works are required. Councillor McCabe advised that he is keen for any commercial viable proposals to be pursued.
- Plater's Shed is complete – additional work in surrounding area is required before letting out.
- Atlas Decommissioning continues to rent space at the site.
- Regular discussions taking place with Clyde Fisheries about possibilities.

Andrew Docherty advised that a decision should be available for the turn of the year in relation to the bids for Levelling Up and Green Freeports.

Liz Cameron asked if there are any contingency plans for alternative opportunities if the Levelling Up fund or Green Freeport bids are unsuccessful.

Stuart Jamieson confirmed there are no other contingency plans for Levelling Up or Green Freeports however it was agreed that an officer group will consider alternatives.

LL / SJ

3. Business Survey

Mark Spragg gave a presentation on the findings of a survey undertaken with the Chamber of Commerce members. It was noted that there were 65 respondents to the survey – the following was highlighted:

- 60% report that current outturn has declined by more than 10% since the start of the pandemic.
- 64% report challenges in obtaining supplies.
- 57% report they had not changed employee salaries / benefits in the last 12 months.
- 47% report that recruitment has become more difficult.
- 67% do not export – issues impacting businesses ability to grow in Inverclyde include labour/skills shortages, access to business support, insufficient demand, transport links and connectivity. It was highlighted that Brexit has had little impact on exports.
- 29% felt that their current facilities did not provide value.
- 32.3% felt poorly connected.
- Over 50% have not discussed housing quality with employees. Of those who have discussed housing, 31% thought housing was poor / very poor. It was agreed for a piece of work to undertaken in relation to housing for the Taskforce.

SJ

Stuart McMillan thanked Mark for his presentation and opened up the meeting for questions / comments.

Mark concluded that the pressures for Inverclyde include supply chain and associated costings, labour / skills shortage and lack of available funds. Mark also highlighted that there is a high level of congestion driving into / out of Greenock.

It was highlighted that there are about 2,000 businesses in Inverclyde with less than 9 employees. The different clusters of businesses were noted – health and social care, shipping / marine, small retail, small professional and materials / construction.

Mark gave an example on why he located his business in Hillington rather than Inverclyde. It was noted that there were only two locations in Inverclyde which merited consideration – the Custom House Quay and premises in Gourrock.

Liz Cameron advised that more work can be done for businesses in relation to importing and exporting. She advised that housing is a challenge and suggested that more private housing is required. Liz suggested further discussions were needed with property developers.

Hisashi Kuboyama advised that the number of small businesses operating in Inverclyde is in the bottom 3 in Scotland. It was noted that as of August 2021 around 900 Covid loans (£37 million) were provided to businesses in Inverclyde which will need to be repaid.

Ruth Binks highlighted that a Senior Phase Action Group has been set up to look at the pipeline of support and support the right career choice for young people. Education Services are working with West College Scotland and Skills Development Scotland to look at how young people can be skilled in line with local employment opportunities. Liz Connolly agreed that further discussions are required.

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Ivan McKee advised that work has been undertaken at a Scottish level in relation to exporting. He suggested that it could be beneficial to invite a representative from Scottish Development International (SDI) to attend the next meeting of the Taskforce to provide updates in relation to overseas businesses investing in Scotland. Ivan indicated that we need to know our target market for inward investment. Data from the Inward Investment Plan (which is 3 years old) puts Inverclyde as no. 8 in the rankings (behind Edinburgh and ahead of Glasgow). Ivan highlighted that many businesses do not wish to export – focus needs to be given to those businesses who have the capacity to export.

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It was agreed for a further survey to be undertaken with businesses with different questions including understanding the need for export advice. Agreed to widen the questionnaire to bigger businesses in the area – Stuart Jamieson and Mark will progress.

SJ / MS

4. Business Premises

Jennifer Horn gave a presentation on a desk top exercise of site visits to Inverclyde. The following was highlighted:

Land

- Significant variant in vacant and derelict land – most of the land is brownfield sites. It was noted that Inverkip and Spango Valley are the largest vacant sites.
- Site investigation works have not been undertaken.
- Port Glasgow and Greenock have mostly amber sites – reasonable condition but would benefit from upgrade.
- White sites were noted as in poor condition, no marketing potential without significant investment.
- James Watt Dock and Harbour – various cluster of vacant land.
- Inchgreen – strategic investment location.
- Inverkip – has planning permission in principle for housing.
- Port Glasgow – Riverside Inverclyde development at Kelburn.

Property

- Retail spaces are small, largest retail property is within the Oak Mall Shopping Centre. It was highlighted that national retailers require larger properties.
- Port Glasgow, Greenock and Gourock have mostly amber sites.

Stuart McMillan thanked Jennifer Horn for her presentation and opened up the meeting for questions / comments.

Sharon Kelly asked how hybrid working is impacting on Inverclyde. It was noted that the way of working has changed. Ivan highlighted that there is little appetite for real estate space.

5. Skills Academy

Louise provided the following updates:

- Liaison is taking place with partners and other areas to renew their work on skills academies.
- Initial feedback from LEP shows that Inverclyde has good figures in relation to positive destinations but are they the right destinations?
- Update – currently 125 apprenticeships across the Council due to additional monies invested by the Council.
- Expanded offer between Inverclyde Council, Kickstart and the Scottish Government.
- Update – RISE Project - £1 million project for those in recovery from addiction.
- Refresh Scheme.
- Covid Recovery.
- Health & Social Care shortfall – officers will meet with West College Scotland to consider the support available.
- Intelligence Hub – waiting on data in relation to skills supply and future gaps in skills. It was agreed for the Intelligence Hub to present at the

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next meeting of the Taskforce.

Councillor Brooks highlighted that there could be an opportunity to fund a bid into the Advanced Research and Invention Agency (ARIA). Officers agreed to look at the ARIA and Innovation Fund.

SJ

6. Next Steps

The next steps /actions were agreed as follows:

- An officers group will be established to look at alternative proposals if funding bids are unsuccessful.
- Housing – undertake a deeper dive to understand the Inverclyde housing market.
- SDI – invite a representative to a future meeting.
- Wider survey to the whole business base.
- Ensure business engagement with taskforce through the Economic Group.
- Intelligence Hub – presentation to the next meeting of the Taskforce.
- Consider ARIA bid.

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7. Date of Next Meeting

It was agreed for the next meeting to take place in late January – it was noted that the preference is for the meeting to take place on a Monday.

LM