

To: Council

On: 24 September 2020

Report by: Chief Executive

Heading: Renfrewshire Economic Update – September 2020

1. Summary

- 1.1 This report presents an Economic Update for Renfrewshire. It covers the period since March 2020 and the lockdown restrictions which created enormous challenges for the local economy. The report summarises the recently published Scottish Programme for Government (PfG) and what this could mean for Renfrewshire. It also outlines the proposed direction of travel towards an Economic Recovery Plan for Renfrewshire which we hope to bring to Council in December 2020.
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2. Recommendations

- 2.1 It is recommended that Council:
- (i) notes the content of the Economic Update;
 - (ii) agrees to the continued commitment to the actions and interventions listed in section 3 of this report;
 - (iii) agrees that officers work alongside Renfrewshire's Economic Leadership Panel to develop and agree a two-year Economic Recovery Plan which will be brought back to a future Council meeting for approval; and
 - (iv) agrees that such a Recovery Plan can provide the basis for commencing dialogue with Scottish Government on a specific case for supporting a Renfrewshire economic recovery.
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3. Immediate Priorities for Renfrewshire

- 3.1 The lockdown restrictions in place since March 2020 as a result of the COVID-19 health pandemic have had a dramatic impact on the national and local economy and will have implications for the Renfrewshire economy especially in the short to medium term. The Claimant Count in Renfrewshire has risen by 96.3% (from 4,015 in March to 7,885 in August), a number of high-profile companies have announced job losses and it is expected that once the UK Government's Job Retention Scheme (furlough) begins to taper off towards its planned conclusion in October 2020, further redundancies will most likely follow. When the potential implications of BREXIT are also considered, the impacts of these concurrent challenges on the Renfrewshire economy in the short to medium term could be severe with many more businesses and jobs lost.
- 3.2 However, there are significant interventions that Renfrewshire Council and its partners are making, and can continue to commit to, that can result in a positive contribution towards a resilient economic recovery locally. Some of these are outlined below. Above everything the priority must be on putting in place the stimuli that will lead to increased economic activity that will in turn result in the creation of or the retention of existing jobs. We know from experience how important employment and economic opportunity is to the physical and mental health and well-being of individuals and households. Economic impacts have long-term consequences for individuals, families, communities, and places

Supporting local businesses

- 3.3 Between April and July 2020, Renfrewshire Council administered and distributed around £28 million of a Scottish Government business support in grants to over 2,600 local businesses and self-employed. These payments ranging from £2,000 to £25,000 for each eligible business have offered a lifeline to many companies whose cashflow was detrimentally affected by the dramatic reduction in customers and sales from March onwards.
- 3.4 In July, as a rapid response, Renfrewshire Council agreed to make available a further £1.3m by repurposing existing economic development funding. These are designed to offer a series of grants and support measures for local businesses to assist in recovery from the economic impact of lockdown. Grants range from those to assist businesses with implementing social distancing at their premises (up to £2,500); repayable grants of up to £5,000 for Renfrewshire businesses to assist cashflow in the short term to get them over the current reduction in sales; as well as grants up to a maximum of £10,000 for those businesses looking to secure the longer-term growth and the potential to add jobs over time.
- 3.5 These supports went "live" on 17 August 2020 and there has been significant interest to date from local companies.

- 3.6 West College Scotland in partnership with the Council were successful in 2019 in accessing funds from the Advanced Manufacturing Challenge Fund. This project termed “**Critical Engineer**” (£700,000 budget) commenced in summer 2020 and aims to reach out to more than 30 manufacturing SMEs in Renfrewshire to increase capacity for upskilling employees. This will be particularly important with the advent of NMIS and increasing the opportunity for local companies to take full advantage of this new facility and programmes to achieve their growth ambitions.
- 3.7 Launching **Start Up Street** by October 2020 in George Street Paisley (a £250,000 investment of support for new businesses) will offer opportunities for new business ideas from local people to gain advice and expertise to see their businesses develop. It is proposed to also develop a similar concept for Renfrew Town Centre.

Helping people into employment

- 3.8 As the Renfrewshire unemployment and claimant count numbers increased significantly over the April to August 2020 period so the employability services across Renfrewshire required to react. Many services moved to offering online delivery and contactless support with staff continuing to offer a keyworker led service to those looking for employment.
- 3.9 The Scottish Government recently announced a **Youth Guarantee** that will ensure everyone aged between 16 and 24 has the opportunity of work, education or training. £60 million for the current year has been made available, broken down as follows:
- £30m through local authorities to help local partnerships to deliver employability support for young people;
 - £10m to create additional opportunities in colleges;
 - £10m additional funding for Developing the Young Workforce, the Scottish Government’s internationally recognised Youth Employment Strategy;
 - £10 million to support pathways to apprenticeships;
- 3.10 It is estimated that around £930,000 will be available to Renfrewshire Council for local employability support. Work has commenced through the Local Employability Partnership to look at options for the youth guarantee and these will be presented to a future board. The Government commissioned report on the Youth Guarantee scheme includes recommendations for the following actions:
- early work to identify youth employment opportunities with employers in some of the least-impacted sectors, including financial services, utilities and life sciences
 - working to introduce an incentive model where government pays 50% of wages for young people who need the most help
 - a call for the public sector to create more opportunities for young people;

- a call for businesses who would not normally have taken an apprentice full-time to consider sharing an apprentice with other employers;
 - providing support to encourage SMEs to take on a young person if they can do so;
- 3.11 The UK government has introduced a new **Kickstart Scheme** with a £2 billion fund to create hundreds of thousands of 6-month work placements aimed at those aged 16 to 24 who are on Universal Credit and are deemed to be at risk of long-term unemployment. Although the fund won't be distributed on a share basis the approximate numbers for Renfrewshire's share is estimated to be around 700 places. Kickstart will provide funding to employers to create job placements. Funding available for each job will cover 100% of the relevant national minimum wage for 25 hours a week, plus the associated employer NI contributions and employer minimum automatic enrolment contributions.
- 3.12 A bidding process to deliver the scheme has already opened. Employers, or umbrella organisations involved in employment, are invited to bid for a minimum of 30 jobs/places. Renfrewshire Council will be bidding, and the level of bid is being looked at by officers at time of writing. Members will recall the success of the last similar programme delivered by Invest in Renfrewshire which saw 1000 jobs being created in 1000 days with wage subsidies developed by the Council and available to local employers, and the public and third sectors, across Renfrewshire. The Kickstart programme will run until the summer of 2022 and is expected to commence around November 2020.
- 3.13 Renfrewshire Council and SDS were successful in 2019 in gaining support to commence a pilot **Foundation Apprenticeship in Digital Manufacturing** in Renfrewshire. This was aligned to the NMIS / AMIDS investment to offer the opportunity of developing a career in one of the local economies strongest sectors. Marketing of the programme has commenced under the theme "the future starts now" and several local companies are signed up or have expressed interest. The first tranche of apprentices will commence their training in autumn 2020.
- 3.14 The Council will continue to deliver the **Parental Employability Support Fund** (PESF) which is a government funded (£0.2m) two-year pilot programme aimed at tackling in-work poverty in Renfrewshire.
- 3.15 The authority's employability service have continued their strong working relationship with Skills Development Scotland (SDS) and their expanded **PACE support** for employees affected by company redundancies. This has already been actively involved in recent months with Rolls Royce employees at Inchinnan affected by the company's downsizing decisions. The Programme for Government (PfG) in September 2020 has confirmed an additional £5m funding support for PACE nationally.

Capital investment

- 3.16 Evidence demonstrates that capital investment creates jobs. We know from calculations completed for the Renfrewshire Economic Strategy in 2019 that the known planned investment at that time of £1.4 billion across Renfrewshire in the next 10 years could generate 8,400 construction jobs and almost 5,500 permanent jobs (both net).
- 3.17 Renfrewshire Council and its partners are committed to delivering its City Deal infrastructure works at AMIDS (£39m) and is in the process of tendering the Clyde Waterfront / Renfrew Riverside regeneration project (£90m).
- 3.18 Autumn 2020 will see commencement of construction of both **NMIS and MMIC** at AMIDS. An investment totalling about £120m will create hundreds of new jobs as the first stage of the Innovation District. The NMIS leadership team is now in place under a recently appointed CEO. The Council have made initial contact and intend to work closely with the NMIS management team in the coming months to explore the potential of their expertise to assist in developing an education and skills programme for Renfrewshire's manufacturing sector.
- 3.19 Work commenced in summer 2020 on the roll-out of Renfrewshire's **full-fibre high speed broadband network**. This will result in an investment of c.£45m (public and private funding) and will deliver a first-class digital infrastructure for the benefit of businesses, education and homes by the end of 2023 and build network resilience against the impacts of future economic shocks.
- 3.20 The Council's **Cultural Infrastructure Programme** is well underway. The new Paisley Learning and Cultural Hub at 22 High Street is under construction (£7m) with the contracts for the refurbishment of Paisley Town Hall (£26m) and these projects are the flagships for the Programme and will demonstrate economic investment and commitment by the Council and its partners to the regeneration of Paisley Town Centre and the creation of new jobs and economic opportunities for the people and businesses of Renfrewshire. As with all Council tenders those for the Cultural Infrastructure Programme will endeavour to maximise potential benefits for the Renfrewshire community.
- 3.21 In the PfG a new commitment has been earmarked for **town centre and community-led regeneration**. This will see £275 million of funding over 5 years. This is likely to see a longer term commitment to the annual Regeneration Capital Grant Fund (RCGF) which Renfrewshire has been successful in applying to for a number of projects, including the new Paisley Learning and Cultural Hub, the refurbishment of the Russell Institute and the Mossedge community facilities in Linwood. The government have also announced that the RCGF for this financial year will be supplemented by a further £12m directed to current or previous applications to the fund to ensure it is committed by March 2021. Renfrewshire projects have been successful in being awarded further funding, Active Communities, Johnstone have received £730,000 for their redevelopment of the former Johnstone police station and Linwood Community Development Trust £400,000 for fit out of the Mossedge Centre. Together with the announcement contained in PfG this will effectively see this source of regeneration funding doubled by the Scottish Government over the next 5 years.

- 3.22 The government agreed a £50m **Town Centre Fund** for capital expenditure in 2019. Renfrewshire's share of this funding was approximately £1.4m. This funding has been used to support 12 different projects across Johnstone, Renfrew and Paisley town centres. The government have announced an additional £18m to this fund, to be redistributed on the same pro rata basis as used in 2019. This will result in Renfrewshire Council receiving £527,000 to be spent by 31 March 2021.

4. Renfrewshire's Economic Recovery Plan

- 4.1 In the period before the pandemic the Renfrewshire economy was performing well and the platform factors for growth were strong. Since the financial crisis of 2008 many job opportunities had been created and youth unemployment reduced to historically low levels. Investments at many of its key business locations had seen growth in an already large and very productive manufacturing base and the transport and construction sectors and international exports continuing to show positive trends.
- 4.2 The assets that were the foundation of this growth still exist. The infrastructure investments from the Glasgow City Region City Deal are still in place along with the Scottish Government's and the private sector's additional investments that will bring to Renfrewshire Scotland's only advanced manufacturing centre of excellence (NMIS) at the centre point of Scotland's Advanced Manufacturing Innovation District (AMIDS), which is also the location for the Medicines Manufacturing Innovation Centre (MMIC). Fundamentally Renfrewshire continues to be an attractive place to invest, work and live. Section 3 of this report highlights a portion of the extensive list of existing commitments taking place in Renfrewshire and the benefits they can already bring.
- 4.3 In September 2019 Renfrewshire published its first Economic Strategy which reinforced this level of positivity about the future direction for the local economy. The long-term mission expressed in the strategy has not been diminished:

[Our mission is to strengthen and grow the Renfrewshire economy in ways which people, businesses and places can contribute to and benefit from that growth.](#)

- 4.4 Nevertheless, the economic downturn now being faced is exceptional and we face an uncertain economic future. How we deal with the immediate effects and the economic crisis and the new circumstances within which economic activity must be undertaken requires a recalibration of the actions and programmes that were framed in our Economic Strategy. It needs the introduction of new thinking, new ideas and new approaches to strengthen and grow our economy so that it is both inclusive and sustainable and positively contributing to securing the well-being of Renfrewshire and the people that live here. Our initial focus must be on sustaining jobs, supporting business to be more competitive and productive, and ensuring that our citizens, particularly young people are prepared and have the skills to access future employment opportunities.

- 4.5 The overarching theme of the Economic Recovery Plan in Renfrewshire will be to *improve lives and securing well-being through a stronger and more inclusive and sustainable economy*. We will reach across all our existing economic priorities and do more to improve outcomes and life chances and help people access, sustain and progress into economic opportunities. Employment related progression promotes greater independence, and a reduction in the need for the support of other public services. We know that even in a recovery phase from an economic downturn new jobs will be available, but historically many excluded people have not accessed these. In Renfrewshire we need to ensure that we can do all we can to improve the life chances of our most disadvantaged citizens.
- 4.6 We aim to create an Economic Recovery Plan with several overarching objectives in response to the COVID-19 economic impacts and the potential impacts of Brexit on the Renfrewshire economy. These are listed below:
- Maximising the number of jobs that can be created or retained locally
 - Supporting improvements in business productivity and competitiveness, including the upskilling of their existing workforce, increasing innovation and R&D and building management and leadership capacity
 - Improving the employability of those currently unemployed or who potentially face unemployment through reskilling and retraining
 - Tackling inequalities; employment, income, education and health including measures to mitigate the risks of increasing multiple disadvantages and any widening of the gap between the most and least deprived as a result of the economic crisis
 - The need to adopt actions that support a 'green' recovery building on Green New Deal principles
- 4.7 The Recovery Plan will identify 6 Areas of Focus which were discussed and agreed at a meeting of the Renfrewshire Economic Panel in August 2020, alongside the objectives listed above. On current thinking these become the overarching themes which will frame all the actions we hope to deliver to assist with Renfrewshire's economic recovery. The 6 Areas are:
- Supporting businesses to recover, strengthen and grow
 - Maximising the benefits of capital investment
 - Employability, entrepreneurship and skills investment
 - Community wealth building
 - Town centres regeneration
 - A green recovery and a 'net zero' carbon economy
- 4.8 The Economic Recovery Plan still needs some more analysis and engagement with partners to confirm its content. We are keeping the evidence base as up to date as possible and gaining new information from our local businesses on a continuous basis as they face up to the stark challenges in front of them.

- 4.9 We need to arrange more detailed conversations with Scottish Enterprise, SDS, West College and UWS, amongst others, to understand how they can commit to leading the development and implementation of key actions.
- 4.10 We want to have further engagement across the Council body and with Renfrewshire Leisure. The pandemic and the economic crisis will continue to influence each other over the next 2 years. Integration of service delivery in response to these combined crises will be crucial.
- 4.11 We will fully examine the implications of the Scottish Government and its agencies' funding programmes to ensure maximum benefit for Renfrewshire's recovery. For example,
- are we maximising the opportunities that these funding streams may present?
 - are the key institutions in Renfrewshire aligned in terms of taking advantage of the Government's plans for a Place Based Investment Programme?
 - a significant focus in the PfG is placed upon green recovery, active travel and climate change / decarbonisation – are we in a position to benefit from these funds locally?
 - can we align the above funding opportunities to our local programmes of employability and inclusive growth to allow residents to benefit significantly from this investment?
- 4.12 The intention is to spend the next 2 months engaging and analysing the above aspects and to bring a draft Economic Recovery Plan to the next Council meeting in December 2020.

5. Review of national and local economic impacts

UK position

- 5.1 The impact of the COVID-19 pandemic on the UK economy has been significant, with the country officially now in a recession (August 2020). UK gross domestic product (GDP) is estimated to have fallen by a record 20.4% in Quarter 2 (April to June) 2020. This is the largest quarterly contraction in the UK economy since Office for National Statistics (ONS) quarterly records began in 1955. However, following the easing of social distancing and some lockdown measures, GDP figures for June did show an increase of 8.7%. Despite this, the economy is still significantly behind where it was in February 2020. GDP recovery may be slow as the pandemic continues, and uncertainty remains over Brexit.

- 5.2 The crisis has impacted the labour market, between April and June the number of people in work fell by 220,000. Figures released in September 2020 highlight that the UK unemployment rate has risen to its highest level for two years, 4.1%, with young people's (aged 16-24) unemployment up to 13.4%.
- 5.3 Since March 2020 the Claimant Count has increased by 120.7%, or 1.49 million. It is expected that the claimant Count will increase further over the coming months as the UK Government's furlough scheme begins to taper off. As of 21 August approximately 9.6 million jobs, from 1.2 million different employers, were furloughed in the UK. The UK government is estimated to have spent £35.4 billion on the scheme, with that figure expected to rise to £80 billion by its conclusion in October 2020. By 31 July 2.60 million (77%) of the potentially eligible population had claimed a Self-Employed Income Support Scheme (SEISS) grant with the value of these claims totalling £7.6 billion. This is a similar proportion to those applying in Scotland.
- 5.4 Several key sectors in the UK economy have been severely impacted. April 2020 saw record falls in output from the three main indicators: services, manufacturing, and construction. Despite growth in May and June 2020, all three remained significantly lower than in February 2020. The easing of restrictions in June increased demand and allowed many more businesses to increase output or resume some level of trading. However, some services sectors continue to be severely affected as many remain closed or curtailed, such as tourism and hospitality.

Scotland position

- 5.5 The lockdown restrictions have had a significant impact on output in Scotland, in April alone GDP fell by 19.2%. However, there was a 2.3% increase in growth recorded in May, which has been attributed to a pickup in the construction and manufacturing sectors. Nevertheless, growth was more marginal in the services sector, reflecting that large parts of the sector remained closed during the month. In June, Scotland's GDP is provisionally estimated to have increased by 5.7% compared to May, with output increasing in all the main industry sectors, and in most sub-sectors within these. Despite the increases in May and June, GDP remains 17.6% below the level in February, prior to the lockdown measures which were introduced in March. Overall, the industries with the largest falls in output during the lockdown have been those more consumer facing sectors or where working from home is not possible.
- 5.6 Business activity across Scotland fell for the fifth consecutive month in July. However, the activity has strengthened every month since April, as the gradual easing of lockdown has enabled many businesses to plan for and restart business activity across manufacturing, construction and large parts of the services sector. Latest data show that 94% of businesses in Scotland are now trading.

- 5.7 Losses in cashflow is a significant challenge for several businesses, as they reopen and adjust to new operating and demand conditions. ONS data for Scottish firms in the second half of July, reported that 57% of businesses currently trading reported a decrease in turnover compared to what is expected for this time of year. Of Scottish businesses that had not permanently stopped trading in the second half of July, 38% of businesses reported having cash reserves to last between zero to six months.
- 5.8 In the Scottish labour market, between May and July Scotland's unemployment rate was 4.6%, the highest rate among all the UK nations. Overall, since the start of the year the number of individuals in employment decreased by approximately 19,000. Scotland's Claimant Count in August was 228,005, an increase of 6,230 (3%) over the month.
- 5.9 Up to the end of July 2020, 779,500 jobs had been furloughed in Scotland, approximately 32% of all employees. As with the rest of the UK, it is expected that the unwinding of COVID-19 labour market schemes will result in a significant increase in job losses.
- 5.10 Overall whilst the Scottish economy has continued to reopen with business activity starting to stabilise and recover some growth, underlying demand remains subdued. Businesses may need to reduce staffing levels to contain costs and adapt to lower levels of demand. Scenario analysis published in June, suggests Scottish GDP could fall by 14% in 2020 and unemployment could rise above 10% and not return to pre-crisis levels until 2023-24.

Scotland's Programme for Government (Sept 2020)

- 5.11 Scottish Government published their Programme for Government (PfG) on 2 September 2020. It highlights a significant amount of commitments which can help to frame and support the Economic Recovery Plan for Renfrewshire. Further engagement on the Programme is planned with Scottish Government to fully understand the implications for Renfrewshire. These commitments include:
- £100m towards a **Green Jobs Fund** over next 5 years which will offer opportunities for reskilling and retraining in high growth sectors;
 - **Youth Guarantee Scheme** for 16-24 year olds (£60m investment);
 - new **National Transition Training Programme** (£25m) to support older workers at risk of redundancy by providing re-training opportunities;
 - create a national network of **Tech Start-Up Hubs** to support between 300 and 500 start-up businesses across this sector over 5 years;
 - Create 10,000 high value jobs per year over the next decade through an **Inward Investment Plan**
 - **Flexible Workforce Development Fund (£20m)** - enabling employers to access up to £15,000 each to address skills gaps in their workforce;
 - £2 billion **Low Carbon Fund** helping to secure investment in making buildings more efficient in terms of energy use;

- Capitalise the **Scottish National Investment Bank** with £2 billion over ten years, with a primary mission to support the country's transition to net zero emissions;
- £500m towards investment across Scotland in transformational **active travel infrastructure** aimed at changing travel behaviours into more sustainable formats;
- £275 million to support **community-led regeneration and town-centre revitalisation**;
- Complete the delivery of **50,000 affordable homes**;
- A **digital inclusion** programme that will see 50,000 more people connected to Scotland's digital ecosystem;

Renfrewshire position

- 5.12 Renfrewshire's Claimant Count in August 2020 was 7,885 representing a 96.3% increase since March and accounts for 6.9% of the working age population. There have already been several high-profile job losses announced in Renfrewshire including the loss of 700 jobs at Rolls Royce in Inchinnan. Further Renfrewshire jobs will be at risk in the future as the furlough scheme is phased out.
- 5.13 At the beginning of August 2020, Renfrewshire businesses had 28,300 employees on furlough, around 33% of all eligible employees – 1 percentage point higher than the Scottish average. Some sectors of the Renfrewshire economy were impacted by the lockdown more than others. Accommodation and food service activities, other service activities, construction and transportation and storage were sectors where firms reported high shares of their workforce being put on furlough. Take-up of the SEISS scheme in Renfrewshire as of 31st July was 79%, with 4,300 claims made for a total value of £12.2m.

Renfrewshire Business Survey (2020)

- 5.14 To better understand the impact of the lockdown restrictions and what is needed to overcome the economic challenges that lie ahead, Renfrewshire Council and Renfrewshire Chamber of Commerce joined forces in June 2020 to proactively engage with over 500 local businesses, around 10% of all Renfrewshire companies. In summary the findings are:
- 92% of Renfrewshire business have been closed or operating at only partial capacity during the lockdown, 44% have been completely closed
 - Those businesses operating in sectors which rely on 'social spending' such as services, accommodation, and arts, entertainment and recreation were most affected
 - The most significant effects of lockdown included reduced cashflow, lower sales income and lost / cancelled orders
 - Wholesale and retail along with manufacturing, form very significant parts of the Renfrewshire economy and supply chain disruptions are likely to have significant effects on their economic output
 - 82% of those surveyed have accessed Government financial support;

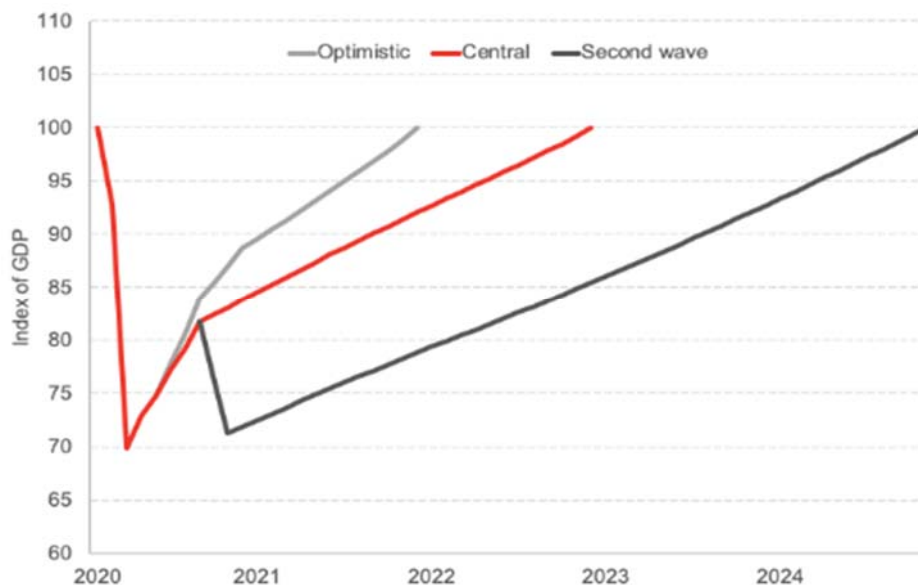
- Almost three quarters of all business made use of the Job Retention Scheme (furlough)
 - About half of all businesses had most of their workforce on furlough at one point
- 40% believe that redundancies may be likely over next 3 months (when asked in June)
- Reasons for potential redundancies included uncertainty on whether customers / orders / supply chain would return and at what level
- Over half of the businesses surveyed have cancelled/postponed investment
- Businesses state they are looking for support with:
 - Altering premises to conform with social distancing
 - Regular updates on latest regulations
 - Advice on how to access additional funding
 - Training webinars on specific issue
 - Employability advice for employees

Fraser of Allander Institute – Renfrewshire research

5.15 In June 2020 the Fraser of Allander Institute (FAI) were commissioned by the Council to undertake a bespoke economic impact analysis of the COVID 19 lockdown on the Renfrewshire economy specifically.

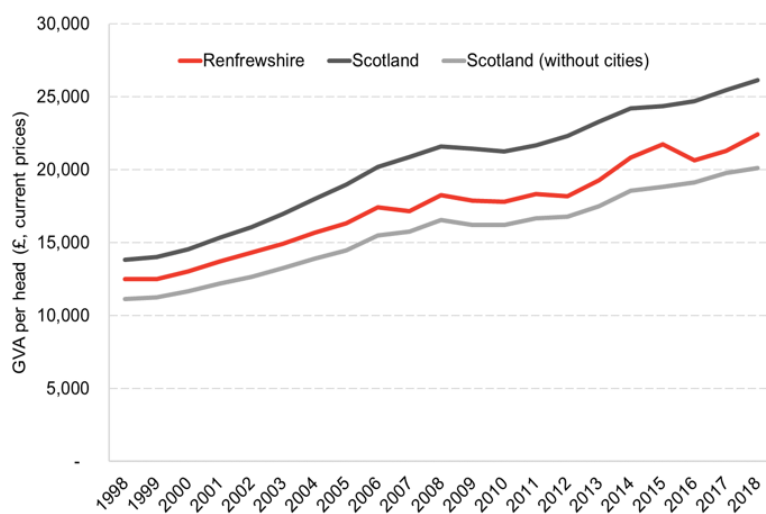
5.16 Their modelling indicates that Renfrewshire’s GDP could fall as much as 30% as a result of the crisis. This is because some of the sectors on which Renfrewshire is so heavily reliant (retail, aviation, transport and manufacturing) may be the hardest hit and slowest to recover from the recent decline in economic activity, potentially taking to the end of 2022 to bounce back, assuming no further significant lock downs due to subsequent waves of infection. The 3 scenarios they modelled are shown in **Figure 1**.

Figure 1: Renfrewshire economic recovery - post-covid



- 5.17 The best-case scenario (optimistic) shows a recovery to pre-COVID economic levels by the end of 2021. The worst-case scenario (assuming a second wave and localised lockdown restrictions) would see the Renfrewshire economy take almost 4 years to recover to pre-COVID levels.
- 5.18 Another part of the FAI analysis was to compare Renfrewshire’s economy to other local authority areas in Scotland. This did this across all 32 authorities and they also undertook this but taking the 4 largest city authorities out of the analysis. **Figure 2** shows that Renfrewshire compares favourably to the other 27 local authorities across Scotland in terms of the size and strength of its economy over the last 20 years.
- 5.19 Moreover, there remains significant uncertainty about future trade agreements as a result of Brexit and the sectors anticipated to see the greatest impact include construction, transportation and aspects of manufacturing. Due to its concentration of workforce in these sectors, Renfrewshire again could potentially be one of the most affected areas in Scotland. In a recent paper (July 2020), Scottish Enterprise identified Renfrewshire as one of the local authorities most ‘at risk’ due to its above average unemployment and higher furlough and SEISS rates. Therefore, while policies such as the recently announced Job Retention Bonus and “Kick Start” Job Guarantee Scheme are welcome, the FAI has highlighted that national policies must acknowledge the unique demands of the Renfrewshire economy in terms of future Government support.

Figure 2: Renfrewshire’s economy comparison to rest of Scotland (GVA per head)



Source: ONS

Implications of the Report

1. **Financial** – None beyond existing approved budgets.
2. **HR & Organisational Development** – None

3. **Community/Council Planning –**

- *Our Renfrewshire is thriving – the development of an Economic Recovery Plan will be critical in supporting the recovery of local business, production and employment from the consequences of the COVID-19 shut down measures.*
- *Our Renfrewshire is well – promoting economic activity among all citizens and communities will support the resilience of individuals, families and neighbourhoods*
- *Our Renfrewshire is fair – economic recovery will prioritise the delivery of inclusive growth*
- *Reshaping our place, our economy and our future – the COVID-19 shut down is having and will have long lasting implications for Renfrewshire’s places and its economic future. Rebuilding our economy offers chances to reset ambitions and to introduce innovative thinking about the future of our places.*
- *Building strong, safe and resilient communities – promoting economic activity among all citizens and communities will support the resilience of individuals, families and neighbourhoods*
- *Tackling inequality, ensuring opportunities for all – economic recovery will prioritise the delivery of inclusive growth*
- *Creating a sustainable Renfrewshire for all to enjoy – an economic recovery that is a green recovery and contributes to Scotland’s net-zero carbon target will be prioritised in future planning*

4. **Legal – None**

5. **Property/Assets – None**

6. **Information Technology - None**

7. **Equality & Human Rights** - the Recommendations contained within this report have been assessed in relation to their impact on equalities and human rights. No negative impacts on equality groups or potential for infringement of individuals’ human rights have been identified arising from the recommendations contained in the report. If required following implementation, the actual impact of the recommendations and the mitigating actions will be reviewed and monitored, and the results of the assessment will be published on the Council’s website.

8. **Health & Safety - None**

9. **Procurement - None**

10. **Risk - None**

11. **Privacy Impact - None**

12. **COSLA Policy Position** –supports the COSLA Priority to develop Local Economies and support Inclusive Growth

- .13. **Climate Risk** – an economic recovery that is a green recovery and contributes to Scotland’s net-zero carbon target will be prioritised in future planning
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List of Background Papers

- (i) *Update on Covid-19; Renfrewshire Council Emergencies Board; 17 July 2020*

The foregoing background papers will be retained within Chief Executives Services for inspection by the public for the prescribed period of four years from the date of the meeting. The contact officer within the service is Alasdair Morrison; Head of Regeneration; Tel 0141 618 4664; Alasdair.morrison@renfrewshire.gov.uk)

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