



# GLASGOW ECONOMIC STRATEGY

2016 - 2023

**GLASGOW**  
CHAMBER OF COMMERCE



**GLASGOW  
ECONOMIC  
LEADERSHIP**



a world class city, focused on **economic growth** and **tackling poverty** and **inequality**





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2016 - 2023

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## EXECUTIVE SUMMARY

The aim of this strategy is to make Glasgow the most productive major city economy in the UK.

We are the fastest growing major city economy in the UK with a diverse business and industry base and a highly skilled population. We are the centre of the only metropolitan area in Scotland.

However, unless we encourage more innovation, grow our business base, better link skills provision with the needs of the local economy and tackle longstanding health issues, the city will not realise its potential.

Therefore, our economic development efforts will have 10 themes:

1. RAISING HEALTH
2. SKILLS FOR ALL
3. A FAIRER GLASGOW
4. SUPPORTING OUR KEY SECTORS
5. INNOVATION/HIGH VALUE EMPLOYMENT
6. SMART INFRASTRUCTURE INVESTMENT
7. HOUSING MIX
8. SUPPORTING ENTERPRISE
9. LINKING EDUCATION TO EMPLOYMENT OPPORTUNITIES
10. INCREASING OUR POPULATION

And we will undertake the following early actions:

## RAISING HEALTH

1. We will establish a Health Inequalities Commission to develop proposals to improve the health of the city. The commission's first phase will focus on mental health. It is a significant issue for Glasgow, both for those not in work and in work. It is the single biggest factor in terms of ill health and disability in Glasgow, compounded by poverty. The commission will examine evidence of what has worked elsewhere and current innovation in other world class cities and seek the views of those with lived experience. The commission will report by end February 2017 and provide clear recommendations for public sector partners and city employers.

## SKILLS FOR ALL

2. All employability support in the city will include a transferable qualification ensuring a legacy for every individual supported.
3. The city will continue to deliver the Glasgow Guarantee, ensuring every young person support in the form of work, training or an apprenticeship. We will work with employers to increase the awareness and understanding of the value of the Glasgow Guarantee to both employers and citizens. We will significantly increase the number of people supported through the Glasgow Guarantee from underrepresented groups, such as those from black, minority and ethnic (BME) communities, care leavers and people with disabilities.
4. Employability support will increasingly focus on those furthest from the labour market, with more resources spent on preventing individuals from becoming long-term unemployed.
5. Working with partners across the city region and in conjunction with Skills Development Scotland, we will establish a Jobs and Skills Board to direct skills policy. This will oversee the implementation of a Regional Skills Investment Plan.

## A FAIRER GLASGOW

6. We will use the Glasgow City Deal to tackle inequalities by placing inclusive growth at the heart of our masterplanning process for all of our infrastructure projects.
7. The council will "poverty-proof" all of its economic development policies, ensuring there are no unintended consequences of new initiatives.
8. As part of a refreshed community benefit policy, the Fairer Glasgow Employer Award will be developed, recognising commitment to the city's social objectives, including the Glasgow Living Wage.



9. We will grow Glasgow as a Co-operative city and expand the number of Social Enterprises and Co-operatives in the city through direct funding and bespoke support for the sector. We will also develop proposals for a co-operative approach to childcare to support working families.
10. We will deliver an in-work progression programme, piloted with the care sector which will develop a sustainable model of employee progression which improves the skills and increases the earning potential of people working in the care sector, particularly those affected by in work poverty. We will take the learning from this and expand it to other sectors.
11. We will undertake a review of the social enterprise sector in Glasgow and investigate opportunities around social forms of financing, including Social Impact Bonds and the establishment of a Social Stock Exchange in the city.

## SUPPORTING OUR KEY SECTORS

12. The city will focus its economic development efforts on the key sectors of:
  - a. Digital Technology
  - b. Finance and Business Services
  - c. Creative Industries
  - d. Low Carbon
  - e. Health and Life Sciences
  - f. Engineering, Design and Advanced Manufacturing
  - g. Tourism and Events
  - h. Higher and Further Education
13. Each sector will develop an action plan and be private-sector led, with support from a named senior official in the public sector.
14. We will involve the third sector in the shaping of economic development activities through direct involvement in the Glasgow Economic Leadership Board.
15. We will expand on our position as the number one digital city in Scotland by increasing the number of people with digital skills, growing our business base and more effectively marketing our digital success.
16. We will launch a Retail Action Plan, recognising the key contribution the sector makes to the economy. This will be delivered alongside the City Centre Strategy and in partnership with the City Centre Retailers Association.

17. Our first action following the publication of the strategy will be to launch a Tourism and Visitor Economy Plan, setting out our ambitions to attract one million additional tourists by 2023, growing our tourism GVA by £148million.
18. Through Sustainable Glasgow, we will work with Zero Waste Scotland, the Scottish Institute for Remanufacture, the Glasgow Chamber of Commerce and other partners to develop a strong circular economy, becoming one of the world's most sustainable cities.
19. We will conduct a review of the Food and Drink sector in the city, and identify sector specific support to build on recent growth.

## INNOVATION/HIGH VALUE EMPLOYMENT

20. We will build on but go beyond the OECD definitions of four types of innovation: product innovation, process innovation, marketing innovation and organisational innovation. We will create the conditions for enhanced public sector innovation and support more innovative approaches for deeper public, private and academic sector collaborations and the City will commit to innovating ways to more deeply engage with our citizens through the Centre for Civic Innovation.
21. The city will support the creation of innovation districts in partnership with industry, business and the Universities such as in the Merchant City and the Queen Elizabeth University (QEU) Hospital. These will build on the city's key strengths in areas such as pharmaceutical manufacturing, distributed energy, photonics, bio-nano technology, aerospace manufacturing and oil and gas, and will see the formation of SME clusters, similar to the emerging life sciences cluster at the QEU.
22. Glasgow and Amsterdam will establish the European Innovation Forum, bringing together Europe's nine most innovative cities to develop our innovation economy.
23. The City of Science Board will be relaunched as the City of Science and Innovation Board bringing together the public, private and academic sectors to develop Glasgow's growing innovation economy.
24. Working in partnership with Scottish Development International (SDI), Invest Glasgow will launch a new foreign direct investment strategy targeted at key markets in Europe, North America and the Far East.



## SMART INFRASTRUCTURE INVESTMENT

25. We will develop proposals for a Glasgow Infrastructure Fund, supporting capital investment in the city.
26. We will exploit the opportunities that the City Deal offers to further expand the required foundations for a Smart City across Glasgow, including installing digital and other infrastructure wherever construction and excavation work takes place across the city and ensuring the continuing introduction and enhancement of Smart City services as an integral facet of City Deal projects where appropriate.
27. We will revitalise the city centre through the delivery of the City Centre Strategy and £115.5million of City Deal investment, improving the public realm, investing in smart infrastructure such as surface water management systems and adaptable lighting systems, the creation of avenues of trees, segregated cycle lanes, and reductions in vehicle traffic.
28. We will invest £113.9million in the Clyde Waterfront and West End Innovation Quarter. This area has fantastic assets, such as the Queen Elizabeth University Hospital, the University of Glasgow, Pacific Quay and the West End itself. We will invest to unlock potential vacant and derelict sites for employment and housing; to enhance clustering and stimulate growth in the Life Science and Higher Education sectors and maximise the benefits of existing high value industries; and spread the benefits of City Deal investment to tackle multiple deprivation, particularly in Govan.
29. We will completely transform Sighthill, with £250million of investment creating new homes, a new school, a new pedestrian bridge improving connectivity across the M8 motorway and a new road bridge linking the area to the north and west of the city.



30. We will invest £27million in the Calton/Barras area, improving access to High Street railway station; upgrading the streets linking Gallowgate and Duke Street; enabling the further development of the Collegelands site to include a hotel, more office space and leisure facilities; building a new foot bridge proving a key link between Duke Street and Armour Street; and remediating land at the former meat market site at Bellgrove to create an attractive development site close to the city centre.
31. We will invest £45.8million in improving drainage across Glasgow, unlocking significant land for development across the city.
32. In partnership with Renfrewshire Council and the UK and Scottish Governments, we will build a surface access transport link between Glasgow city centre and Glasgow Airport.

## HOUSING MIX

33. The city will build 25,000 new homes.
34. Through a review of our urban planning policy and the provision of more homes, we will increase the number of people living in the city centre.
35. We will call on the Scottish Government to reinstate the Vacant and Derelict Land Fund, enabling cities to bring land back to sustainable use.

## SUPPORTING ENTERPRISE

36. We will support growing businesses in our new high-growth innovation hub at the Tontine Building at Glasgow Cross, supporting 153 companies over the next 5 years. This will be at the heart of our City Centre Innovation District along with the Technology and Innovation Centre at the University of Strathclyde and the Inovo Building.
37. There will be a seamless integration of economic development activity in the city, with all organisations working in partnership towards the common objective of increasing productivity.
38. The city will actively support the local economy through procurement, guaranteeing work for local SMEs where possible.
39. The city will ensure that we maximise the business and employment opportunities that come from hosting major events, particularly the 2018 European Championships.
40. We will establish an Enterprise and Jobs Hub for the Glasgow City Region, looking at more regional delivery of services, starting with Business Gateway.



41. We will explore alternative finance models, including local co-investment, to stimulate innovation among SMEs in Glasgow.
42. Working in partnership with organisations such as the Scottish Council for Development and Industry and the Glasgow Chamber of Commerce, we will significantly increase the number of Glasgow companies exporting.
43. We will lobby the Scottish and UK Governments to ensure a continuation of a structural funds programme to support employability and business growth after the UK leaves the European Union.

## LINKING EDUCATION TO EMPLOYMENT OPPORTUNITIES

44. We will increase the number of young people gaining qualifications in IT, support the establishment of more digital skills academies and provide more support for coding in primary schools to tackle the digital skills shortage and provide our citizens with the skills to take advantage of one of the city's key sectors.
45. Working in partnership with employers, Glasgow will pioneer a new approach to work experience, giving young people sustained experience of the world of work. We will also increase mentoring support for young people studying in Glasgow's schools.
46. Glasgow will put economic development at the heart of the city's education policies, including ensuring headteachers, parents and higher and further education institutions are informed of economic trends and opportunities .
47. The council will work with our colleges to develop a coordinated approach to delivery of the City Deal, ensuring a pipeline of talent to fill vacancies over the lifetime of the projects.

## INCREASING OUR POPULATION

48. Glasgow will lobby the UK Government to change post-study work visa policies, enabling the city to increase its population and retain talent.
49. We will lobby the UK Government to ensure our voice is heard in the negotiations to leave the European Union, particularly around passporting for financial services and freedom of movement.
50. We will ask both the Scottish and UK governments to notify the council of all surplus land holdings to enable their inclusion in the city's Strategic Housing Investment Plan. This will support the acceleration of major house building programmes and provide a major stimulus to the Glasgow and Scottish economy.



TACKLING THE CAUSES OF GENERATIONAL UNEMPLOYMENT, POOR HEALTH AND A SHORTAGE OF SKILLS WILL NOT BE EASY, BUT **IT IS ESSENTIAL IF WE ARE TO FULFIL OUR AMBITIONS FOR GLASGOW'S ECONOMY.**

## FOREWORD

As Leader of the city, I am delighted to introduce Glasgow's new Economic Strategy.

Since my first tenure as Leader in 1997, Glasgow has been transformed. A simple walk around our city offers an immediate showcase of the radical changes which have taken place.

Our city centre today is a vibrant, modern, urban hub. It is a social hive for Glaswegians, a magnet for tourists and a thriving, productive destination for business.

This has not happened by accident, but as a result of deliberate, strategic decisions taken by those in power.

Our new economic strategy seeks to build upon this progress. It is responsive to the specific challenges that modern day Glasgow faces, but retains the same sense of ambition which underpinned the growth of recent years.

Glasgow's Economic Strategy 2016 opens with an unabashedly bold objective – **to make Glasgow the most productive city economy in the UK.**

Our workforce is young, skilled and ambitious. We have infrastructure in place that make us a desirable destination to do business in, visit and set up home. However, we know there is potential to do much more.

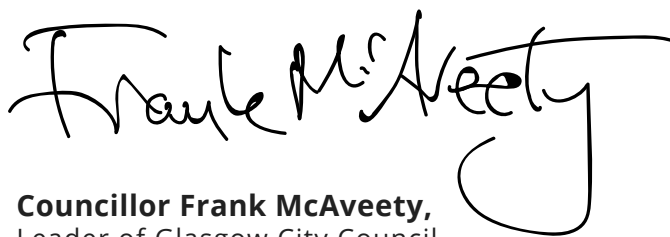
By working in partnership with the public, private and academic sectors – and crucially with the citizens of Glasgow – we have created an economic strategy which seeks a fundamental improvement in the city's productivity.

Our new economic strategy identifies 10 key themes which provide structure for our ambitions. A common thread through each of them is tackling the societal inequality which is at the root of low productivity.

Tackling the causes of generational unemployment, poor health and a shortage of skills will not be easy, but it is essential if we are to fulfil our ambitions for Glasgow's economy. In that sense, this paper should be viewed as much as a social prospectus, as an economic one.

Ours is an economic strategy that works for everyone, for the benefit of all of Glasgow.

I would like to thank you for your continued support of our city. I look forward to working alongside you to deliver our objectives in the months and years to come.



**Councillor Frank McAveety,**  
Leader of Glasgow City Council



In the context of unprecedented national and international uncertainty, challenge and opportunity, it is vital that the city of Glasgow sets out its strategy to build a vibrant, inclusive, economy that works for all of its citizens. As Chair of the Glasgow Economic Leadership Board and Principal of the University of Strathclyde, I am acutely aware of the continued need for Glasgow to invest and show agility, confidence and focus in order to grow our economy. Over the past five years, we have created an enviable collaboration between the private, public and academic sectors and together we can increase innovation levels, create the skills we need, improve the life chances and wellbeing of all our citizens and attract the investment and talent we need to succeed.

The focus of the Glasgow Economic Leadership - and the Glasgow Economic Commission before it - has been to maximise investment and skills in Glasgow's key sectors: Low Carbon Industries; Engineering; Life Sciences; Finance & Business Services; Tourism & Events; and, Higher & Further Education. This focus has borne fruit with key sector growth twice that of the Glasgow economy as a whole.

Whilst acknowledging this success, much still needs to be done to reconnect all parts of the city and its citizens to Glasgow's economy. These connections should be strengthened in order to build a city economy that is genuinely inclusive. Consequently, as well as prioritising economic growth, we must commit the resources and effort to rebuild our skills. While we have one of the highest degree-holding populations of any UK city, too many of our citizens have low or no qualifications. We must seek to connect those furthest from the labour market into work, to continue our work to regenerate our poorest communities and support enterprise and infrastructure investment in the city.

In short, our aim is to create economic growth for all our citizens – inclusive growth.

Glasgow has a rich asset base it can deploy to help create inclusive growth. We have internationally competitive sectors, employers that invest in their workforces and companies that invest in innovation and in selling their products and services abroad. We have world-class, research-intensive, universities that educate highly skilled graduates and translate knowledge and research outputs that drive innovation and support commercialisation and economic impact. Our colleges have benefitted from recent investments and offer key training and upskilling capabilities.

Innovation and skills are essential accelerators for the delivery of Glasgow's strategic economic objectives and represent the lifeblood of our success and competitiveness. The new Glasgow Economic Strategy seeks to harness Glasgow's creativity and talent to create a city that is economically, educationally and socially successful and that underpins health and wellbeing for all its citizens.

To help create this future, Glasgow Economic Leadership will continue to play its role in supporting the aims and actions set out in this strategy and to play a key role in bringing together the private, public and academic sectors in support of our collective aim to Let Glasgow Flourish.

**Professor Sir Jim McDonald**

Principal, University of Strathclyde  
Chair, Glasgow Economic Leadership

Twenty years ago Glasgow was a city in economic crisis. The collapse of the heavy industrial base was still being absorbed and there was little sign of resurgence. The city mounted its recovery soon after and this fresh strategy for growing jobs and investment in Glasgow shows how diverse our new economy has already become. There are specialisms in each of our city's key sectors as varied as precision medicine, opto-electronics, satellite applications, shipping and whisky often supported by a vigorously innovative academic community. The more new products and services we research, develop and bring to market, the more trade we will do and the better off we will become. We have good cause to be optimistic that Glasgow's economy will expand further in the future even as that future appears to be ever more uncertain.

As one example, our tourism industry is flourishing and you can see the benefits of that in the construction of new hotels, in the increasing flow of visitors through Glasgow Airport and in the new businesses and jobs that are being created as a result. The public sector's role in supporting growth is at its most obvious in tourism. The development of the SSE Hydro at the Scottish Exhibition and Conference Centre, the expansion of cultural and sporting facilities like the Riverside Museum and the Emirates Arena and the promotion of Glasgow through People Make Glasgow and as a venue for major medical conferences or sporting events like the World Badminton Championships in 2017 or the multi-sport European Championships in 2018; all have been the result of national and local government planning and investment. Together they are transforming the tourist industry in our city.

This strategy for the city backed by the Glasgow Economic Leadership and Glasgow Chamber of Commerce shows how city partners will work together to continue the economic growth of the city. But it also explicitly addresses the facts that show far too many Glaswegians are missing out on the benefits of that growth. Whether it is through ill-health, a lack of skills or a physical disconnection from opportunities, there are many reasons why a significant proportion of our fellow citizens have not shared in success. The business community in Glasgow understand that these problems fundamentally have to be tackled. The damage done is not just to formal productivity statistics, troubling though these are, but also to the trust in the economic model upon which our business success is based.

Glasgow Chamber of Commerce supports this strategy as a statement of how local government, business and academia will work together to continue the transformation of our city's economy and to make sure every Glaswegian gets a genuine chance to join in.

**Stuart Patrick**

Chief Executive of Glasgow Chamber of Commerce



A GLASGOW WHICH WORKS FOR ONLY SOME OF ITS CITIZENS IS NOT A SUCCESSFUL ONE. ECONOMIC GROWTH IS A FUNDAMENTAL PRIORITY FOR THE CITY, **BUT ONLY IF THAT GROWTH IS SHARED WITH ALL.**



# 01 INTRODUCTION

**Glasgow is a remarkable city.** It is the economic powerhouse of Scotland and generates £19.3billion GVA per annum – by far the largest of any Scottish city. It is the fastest growing major city economy in the UK with growth significantly outperforming all other core cities in recent years.

It is the academic heart of the country and is home to over 130,000 students from 135 countries around the world. Almost 50% of the workforce in the city is educated to degree level, significantly above most cities in the UK.

We are one of the world's top five sporting cities, with two global football clubs, a reputation for hosting major events and are the number one city in the world for delivering legacy.

A world leader in precision medicine, quantum technologies and advanced manufacturing, Glasgow is home to one of the most collaborative and dynamic innovation economies in Europe, with outstanding partnerships between the public, private and academic sectors. We are also the UK's Future Cities Demonstrator.

Glasgow has an incredibly vibrant arts scene. The UK's first UNESCO City of Music, Glasgow has over 130 music events every week and has recently hosted major events such as the MTV Europe Awards and the MOBOs. The SSE Hydro hosts around 140 events every year and is currently in the top three worldwide arena venues.

In recent years, the city has made huge progress. Educational attainment is at an all-time high, employment is rising, the business base is increasing and the city is the current European Entrepreneurial Region of the year.

The decision by the UK to leave the European Union presents a fresh challenge for all parts of the country. But the city has a clear strategy for growth over the next few years and whilst Brexit increases uncertainty, Glasgow always overcomes such barriers.

Yet, many challenges remain. Parts of the city still suffer from unacceptable levels of poverty. Not all prosperity in the city has been shared.

Glasgow has a good sized working age population, yet too many of our people have health challenges which prevent them from reaching their potential.

We have a highly skilled workforce, yet many people living in Glasgow do not have the required skills to help them access work.

And despite recent improvements in our employment figures, long-term unemployment is a growing issue in Glasgow.

Glasgow's story is still a tale of two cities.

This economic strategy intends to address these challenges whilst ensuring the city continues to flourish. A Glasgow which works for only some of its citizens is not a successful one. Economic growth is a fundamental priority for the city, but only if that growth is shared with all.

Working in genuine partnership with our citizens, the third sector, the Scottish and UK Governments, the national skills and enterprise agencies, our partners across the city-region, the private sector and academia will be central to everything we do.

It is time for a new approach.

This is the Glasgow Economic Strategy 2016-2023.

## 02 BACKGROUND

Glasgow's economic performance in the last 10 years has been extremely strong. Previous recessions caused long-term structural damages to the city which had a major impact on the health and wellbeing of many of our citizens.

However the city's efforts to diversify following previous recessions have created one of the most broad based and resilient economies in Europe. Glasgow weathered the storm of 2008 and has emerged as the fastest growing major city economy in the UK, with 7% GVA growth in 2014.

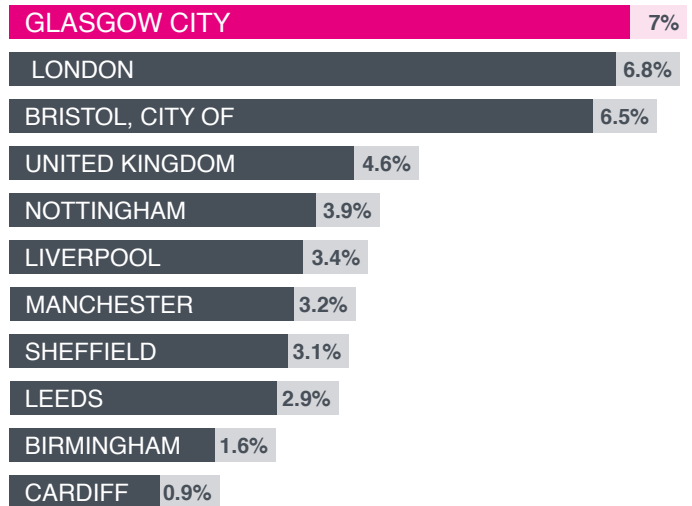
Employment in the city is at its highest rate since 2004 and youth unemployment is lower than it was pre-recession.

The city is rightly proud of its industrial past but we are no longer reliant on one sector. We have a thriving tourism industry, are one of Europe's top financial centres, a world leading centre in new industries such as stratified medicine and advanced manufacturing, the digital heart of Scotland and a major sporting city.

The city's current 10 year economic strategy, A Step Change for Glasgow, was written in 2006. Although still relevant in many ways, there have been a range of significant developments in the interim, including:

- The economic crash of 2008.
- The Glasgow Economic Commission report of 2011.
- Glasgow's role as the UK's Future Cities Demonstrator.
- The 2015 Scottish Government economic strategy and particularly its focus on inclusive growth.
- Glasgow's membership of the Rockefeller Resilient Cities Network.
- The Glasgow and City Region City Deal.
- The possibility of greater fiscal and functional devolution to cities through the Smith Commission and the Core Cities Network.

### % CHANGE IN GVA GROWTH, 2013 TO 2014



In many ways, the Economic Commission report replaced A Step Change and the establishment of the Glasgow Economic Leadership (GEL) is testament to its success. However, it is important to note that the Economic Commission was never tasked with developing a full-scale economic strategy. Its aim was to support high growth in the city and to identify and drive forward those sectors which could provide the greatest GVA return.

And it was hugely successful. Our key sectors have seen employment levels increase at more than twice the rate of all other sectors in the city; our GVA growth outstripped all other major cities in 2014, including London; and the business base increased by 2,000 in just two years.

But we now need a new wholesale economic strategy for Glasgow. One which focuses not just on high growth, but on growing the economy for the benefit of all of Glasgow's citizens, sharing prosperity and tackling some of the endemic challenges the city continues to face.

There can be little doubt that the main impact on any local economy comes from macroeconomic changes. And launching a new economic strategy in the latter half of 2016 means that we have to reflect on the impact of the UK's decision to leave the European Union.



WE NEGOTIATED THE BIGGEST CITY DEAL IN UK HISTORY, **LOCKING IN CAPITAL INVESTMENT OF OVER £1.13BILLION** IN THE CITY-REGION OVER THE NEXT 10 YEARS.

This will undoubtedly cause an economic shock to regional economies across the country, but Glasgow has shown remarkable resilience through recent times. The actions set out in this strategy will help to ensure we continue to grow and flourish.

During the worst global recession in a generation, we invested hundreds of millions in capital infrastructure, hosting the best Commonwealth Games ever in 2014, which delivered a lasting legacy for all Glaswegians.

The city loaned the magnificent new venues to the Games for 12 days but they belong to the people.

And we didn't rest on our laurels. Indeed just a

few weeks after the Games ended we signed the then biggest City Deal in UK history, locking in capital investment of over £1.13billion in the city-region over the next 10 years.

Despite the most challenging set of public finances in recent history the city has continued to invest in our young people. We have to fully fund initiatives such as the Glasgow Guarantee, which has helped over 7,000 young people into work or an apprenticeship since 2009.

So we are used to challenges. We are used to change. But we are also used to success. This strategy will help us deliver sustained economic growth for all of our citizens over the next seven years.

## THE STRATEGY WILL BE BUILT ON 3 GUIDING PRINCIPLES



1. It must be an economic strategy for all with tackling poverty and improving health at the heart of our efforts.
2. The public sector's role is to create the ideal conditions for growth.
3. Partnership between the public, private, third, academic sectors and our citizens is central to success.

## 03 ECONOMIC ANALYSIS

**Glasgow has commissioned research from Oxford Economics and analysed other independent data sources to understand the relative strengths and weaknesses of the local economy.**

In summary terms, the city has real strengths in the following areas:



We have a large share of working age adults, giving employers access to a pool of skilled labour.



Glasgow's business base increased by 2000 between 2013 and 2015.



We have seen the third highest level of commercial property investment in the UK in the past decade, excluding London.



We have the biggest digital and innovation economy in Scotland with our digital tech industry generating £480million GVA and sustaining 26,350 jobs in 2014.



The city's economic output was £19.25billion in 2014 – by far the biggest economy in Scotland.



As the UK's Future Cities Demonstrator, we are at the very forefront of developing and implementing a large-scale smart city programme.



Our unemployment is at its lowest rate since 2004 and youth unemployment has fallen dramatically in the city.



The capital investment through commercial property development, the Commonwealth Games and the City Deal alone will see over £2billion of investment in the city's infrastructure between 2010 and 2025.



We have a graduate level workforce significantly above almost all major cities in the UK, with 46.3% of the workforce educated to degree level.



Our economy is diverse and resilient with a broad base of economic sectors providing high quality jobs.



We have an incredibly strong reputation for holding major conventions, particularly in the health and life sciences sectors.



Our key sectors (Finance and Business Services, Tourism and Events, Life Sciences, Low Carbon and Engineering, Design and Manufacturing) saw employment growth of 5.5% between 2011 and 2015 more than twice the rate of other employment in the city.



We are the 2016 European Entrepreneurial Region of the Year, in recognition of the city's economic development efforts in recent years.

**IN SHORT, GLASGOW'S ECONOMY IS FLOURISHING**



CREATING JOBS, TACKLING POVERTY,  
POOR HEALTH AND INEQUALITIES  
HAS TO BE OUR NUMBER ONE  
PRIORITY.

However, it is clear that the city continues to have significant challenges.

The analysis concluded that areas requiring development include:



Our projected population growth is slow and our city centre population is low compared with other UK and European cities.



We have the third largest economic inactivity rate in Scotland – and 77.7% of our long-term unemployed have no aspirations to work.



Productivity is low in a European context.



Long-term unemployment increased to 30% in 2014 from 13% in 2009.



The city has huge, endemic health challenges.



Poverty and inequality continues to blight some parts of the city.

While our economic growth has been remarkable, the analysis has shown the nature of the challenge we face.

Creating jobs, tackling poverty, poor health and inequalities has to be our number one priority.

# 04 IMPACT OF THE DECISION TO LEAVE THE EUROPEAN UNION

The economic impact of Brexit poses Glasgow with many significant challenges. However, it is necessary to recognise that Glasgow has overcome many such economic challenges in the past and is in a strong position to do so into the future.

Our confidence in our future is based on our recent performance and on our evident ability to work across the private, public and academic sectors to the benefit of the Glasgow economy, its businesses and citizens.

Glasgow has proved itself to be resilient when faced with huge economic challenges, especially in the past decade and has developed an economically strong, broad based economy which stands comparison with the rest of the UK and indeed the rest of Europe.

Brexit poses a fresh challenge for cities across the UK and the true impact will only be determined by the detail of the exit negotiations between the UK and the EU.

Maintenance of free movement of labour and passporting for financial services would have a significantly different impact from a complete withdrawal from the EU.

In the meantime, properly supported by the UK and Scottish governments, Glasgow can continue to thrive. In order to achieve this the city has to formulate a response to the challenges posed.

Therefore, our asks of the Scottish and UK governments are as follows:

- 1. A commitment to maintaining a structural funds programme post-Brexit, funded at the same level as the current programme.** This is worth £780million to Scotland over 2014-20 and this should be the level of investment in successor programmes. In allocating these resources, the Scottish Government should prioritise urban areas where the vast majority of Scotland's economic output is generated and its population live.
- 2. An acceleration of City Deal capital infrastructure works, principally in relation to the approvals required for enhanced surface access to Glasgow Airport and Crossrail.**
- 3. Both governments should commit to notifying the council of surplus land holdings to enable their inclusion in the city's Strategic Housing Investment Plan.** This will support the acceleration of major house building programmes and provide a major stimulus to the Glasgow and Scottish economy.
- 4. In economic development and skills, the Scottish Government should ensure national agencies develop more effective collaborations with Glasgow to support higher levels of city competitiveness, innovation and economic growth.** A new opportunity exists for collaborative working between local government, Scottish government, its agencies and business stakeholders

GLASGOW CAN CONTINUE TO FLOURISH AND GROW AS LONG AS THE UK AND SCOTTISH GOVERNMENTS WORK WITH THE CITY TO ADVANCE OUR ECONOMY.

to maximise the impact of local decision-making and joint working to deliver on national outcomes and to enable Scottish cities to reach their economic potential and meet the major challenges that lie ahead.

**5. The UK Government should work with the EU to guarantee UK access to Horizon 2020 funding beyond 2019/20 and clarify the immigration status of EU students for 2017/18.**

The city welcomes the commitment by the Scottish Government to continue to fund EU students studying in Glasgow and Scotland and those about to enrol. Glasgow's higher and further education sector is highly international, attracting students and staff from across the UK, Europe and the world with 15,000 foreign students, of whom 6,400 are EU nationals as are 1,230 staff. Any diminution of Scotland's engagement in key EU academic programmes - student exchange (ERASMUS) and research (Horizon 2020) will impact negatively on the higher education sector and may impact on future forward investment programmes.

**6. The Scottish Government should introduce a two year moratorium on non-domestic rates for new build Grade A properties that are not fully let.** The removal of rates relief by the Scottish Government in April 2016 for empty properties is a barrier to development and removal of this burden for unlet Grade A offices would stimulate speculative development at the time when it is most required.

In the longer term there are two main issues which must be resolved. Our aspirations to grow our economy and population are predicated on the free movement of labour. Without freedom of movement for workers, the ambitions in this strategy cannot be realised. This has to be a fundamental component of the government's negotiations on Article 50.

Secondly, Glasgow (with Edinburgh) is the principal location of finance and business services in Scotland, with Glasgow the location of several global financial services technology operations. Glasgow is the headquarters of the FTSE 100 Clydesdale Bank PLC plus a number of global brands (Barclays Wealth, Morgan Stanley, BNP Paribas, J P Morgan etc.). As a financial centre Glasgow is ranked as 70th worldwide and 24th in Europe (Edinburgh is 71st and 25th in Europe).

This sector can only continue to grow if financial services institutions retain their right to passport services to the EU. Failure to do so would be catastrophic to the sector and the UK Government must ensure this is protected throughout negotiations.

The fundamental point is that the needs of cities must be at the forefront of the negotiations to leave the EU. The UK Government must ensure a strong voice for its cities in the negotiations and recognise that the impact on local economies can be greatly reduced depending on the outcome of those discussions.

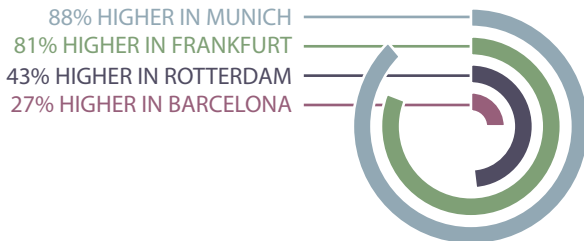
# 05 WHY PRODUCTIVITY MATTERS

**Productivity is commonly defined as a ratio between the output volume and the volume of inputs. In other words, it measures how efficiently production inputs, such as labour and capital, are being used in an economy to produce a given level of output.**

The UK's cities are comparatively unproductive. Taken either as a measurement of GVA per employee or per hour worked, the UK does not compare well with cities in other countries.

This is particularly an issue for our largest cities. The UK's Core Cities (the eight biggest cities in England outwith London, plus Cardiff and Glasgow) lag behind the rest of the UK in productivity. Indeed, the Core Cities Network published analysis in 2015 which showed that our major cities were less productive than other parts of the country. Put simply, if our biggest cities were as productive as the rest of the UK, they would generate an additional £66billion per year.

This is even worse in a European context. Compared to the Core Cities average, productivity is:



Glasgow performs better than most major UK cities in this regard, however we still lag behind the UK average. Using the same methodology, the Core Cities analysis considered that reaching the UK average would generate an additional £4.6billion per year for Glasgow.

This analysis looked at each of the cities and identified particular strengths or weaknesses in a number of areas which contribute directly to productivity.

They were:

- In-work productivity
- GVA per sector
- Sectoral employment mix
- Demography
- Size of working age population
- Economic activity
- Employment.

Compared to other core cities, Glasgow was strong in both its sectoral mix and the size of its working age population. These are fundamental building blocks for a successful productive economy. We have a diverse, broad economic base which both provides a range of opportunities for growth and also protects the city from exposure to economic shocks in a small range of sectors (as happened in Glasgow when heavy industry collapsed or, more recently, in cities which were overly reliant on financial services in 2008).

However, the GVA output from our high value sectors was below average, although not markedly.

The biggest issues for Glasgow were clearly in economic activity and employment. As we have seen elsewhere in this document, the city has made huge strides in tackling unemployment and getting people into work. Employment levels in Glasgow are now significantly higher than major cities such as Manchester, Liverpool and Birmingham.


Yet, it is clear that challenges remain.

Economic inactivity is decreasing, but far too many of our citizens are unable to take part in the labour market. Glasgow had the third largest inactive working age population in Scotland in 2015. This is challenging enough, but 77.7% of those individuals do not want a job.

This is likely to be due to a number of factors, some easier to define than others. Lack of ambition or confidence is difficult to quantify or address, but it is clear that support needs to be put in place.

Another factor may be skills gaps for some of our citizens. Nowhere is the dual nature of Glasgow's economy clearer than in our position as the second most highly skilled major city in the UK (46.3% of our workforce have degree level qualifications, only Bristol is higher in the Core Cities) as well as the third worst for residents with no qualifications. We are a high





ECONOMIC INACTIVITY IS  
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skills/no skills economy and it is clear that we need to do more.

Glasgow's health record is well documented. The 2016 report History, Politics and Vulnerability highlights the significant differences between Glasgow and other post-industrial cities such as Birmingham and Liverpool. Glasgow has enjoyed economic success greater than those cities in recent years and our GVA and employment growth has outperformed them. Yet this has not impacted on our poor health record with inequalities increasing. It is clear that the economic success story of Glasgow has not been shared with all of our citizens.

This is important for two reasons. Firstly and most importantly, improvements in our health would greatly increase the quality of life of those citizens who have historically suffered from ill-health.

However there is a clear wider benefit to the city's economy. We have the sectoral mix, we

have the working age population and, with a huge programme of infrastructure investment over the next 10 years through the City Deal and our housing investment, we are creating the perfect conditions for growth. A healthy, skilled workforce could take advantage of the opportunities this will create and help Glasgow to flourish in a way like never before.

Crucially productivity is linked to income and is the fundamental determinant of any economy's competitiveness and living standards. For every 1% increase in productivity, wages increase by 0.8%. A more productive Glasgow is a more equal one.

So the solution to Glasgow's productivity challenge is relatively clear. We need to support our own growth sectors, encourage more innovation and tackle the endemic health and skills issues which are increasing inequality in the city.

That is our focus.

# 06 THE OBJECTIVE

GLASGOW WILL HAVE THE  
MOST PRODUCTIVE MAJOR  
CITY ECONOMY IN THE UK  
BY 2023.



# 07 THE STRATEGY

**To become a more productive city, Glasgow will focus on creating the conditions for growth and supporting our residents to take advantage of the opportunities this will create.**

Therefore, we will focus on 10 specific areas:

1. RAISING HEALTH
2. SKILLS FOR ALL
3. A FAIRER GLASGOW
4. SUPPORTING OUR KEY SECTORS
5. INNOVATION/HIGH VALUE EMPLOYMENT
6. SMART INFRASTRUCTURE INVESTMENT
7. HOUSING MIX
8. SUPPORTING ENTERPRISE
9. LINKING EDUCATION TO EMPLOYMENT OPPORTUNITIES
10. INCREASING OUR POPULATION

All of the city's economic development efforts over the next seven years will be expected to support delivery of these priorities.

Our early actions are set out in the following sections.



## RAISING HEALTH

### **Our vision:**

As the biggest challenge facing the city, Glasgow will put improving health at the heart of our economic strategy and act to tackle long-term health inequalities, focusing our employability support on those furthest from the labour market.

### **Our early actions:**

- 1. We will establish a Health Inequalities Commission to develop proposals to improve the health of the city.**

The commission's first phase will focus on mental health.

It is a significant issue for Glasgow, both for those not in work and in work. It is the single biggest factor in terms of ill health and disability in Glasgow, compounded by poverty.

The commission will examine evidence of what has worked elsewhere and current innovation in other world class cities and seek the views of those with lived experience.

The commission will report by end February 2017 and provide clear recommendations for public sector partners and city employers.



## SKILLS FOR ALL

### Our vision:

Glasgow will focus its efforts on supporting those without qualifications gain the necessary skills to help them enter the labour market and sustain careers for life.

### What we have done:

- Supported 7,200 young people into work, an apprenticeship or training through the award winning Glasgow Guarantee
- 46.3% of our workforce are educated to degree level – the second highest of all of the UK's Core Cities
- The number of adults with no qualifications in the city has fallen by 8.3% over the past five years

### Our early actions:

- 2. All employability support in the city will include a transferable qualification**, ensuring a legacy for every individual supported.
- 3. The city will continue to deliver the Glasgow Guarantee**, ensuring every young person support in the form of work, training or an apprenticeship. We will work with employers to increase the awareness and understanding of the value of the Glasgow Guarantee to both employers and citizens. We will significantly increase the number of people supported through the Glasgow Guarantee from underrepresented groups, such as those from black, minority and ethnic (BME) communities, care leavers and people with disabilities.
- 4. Employability support will increasingly focus on those furthest from the labour market**, with more resources spent on preventing individuals from becoming long-term unemployed.
- 5. Working with partners across the city region and in conjunction with Skills Development Scotland, we will establish a Jobs and Skills Board** to direct skills policy. This will oversee the implementation of a Regional Skills Investment Plan.



## A FAIRER GLASGOW

### Our vision:

Glasgow will put tackling poverty and inequalities at the heart of economic growth. We will build an economy which works for all of our citizens, supporting fair pay, workers' rights and shared prosperity. We will actively involve the people of Glasgow in the design and delivery of our services, working with communities rather than implementing policies on people.

We will work with the Scottish Government to support their aspirations around inclusive growth, the UK wide Inclusive Growth Commission to learn from best practice elsewhere and will work through the Poverty Leadership Panel and our Co-operative Glasgow partners to ensure our citizens directly shape our economic activity.

We will use the Inclusive Growth Commission's definition of inclusive growth to drive our activities:



Inclusive Growth as broad based growth that enables the widest range of people and places to both contribute to and benefit from economic success. Its purpose is to achieve more prosperity alongside greater equity in opportunities and outcomes. Inclusive growth is about living standards and earnings, as well as in-work progression and tackling long term unemployment. It offers a social return in helping more people participate meaningfully in the economy, but it also has an economic rationale, with the potential to address some of the key drivers of the UK's productivity puzzle.

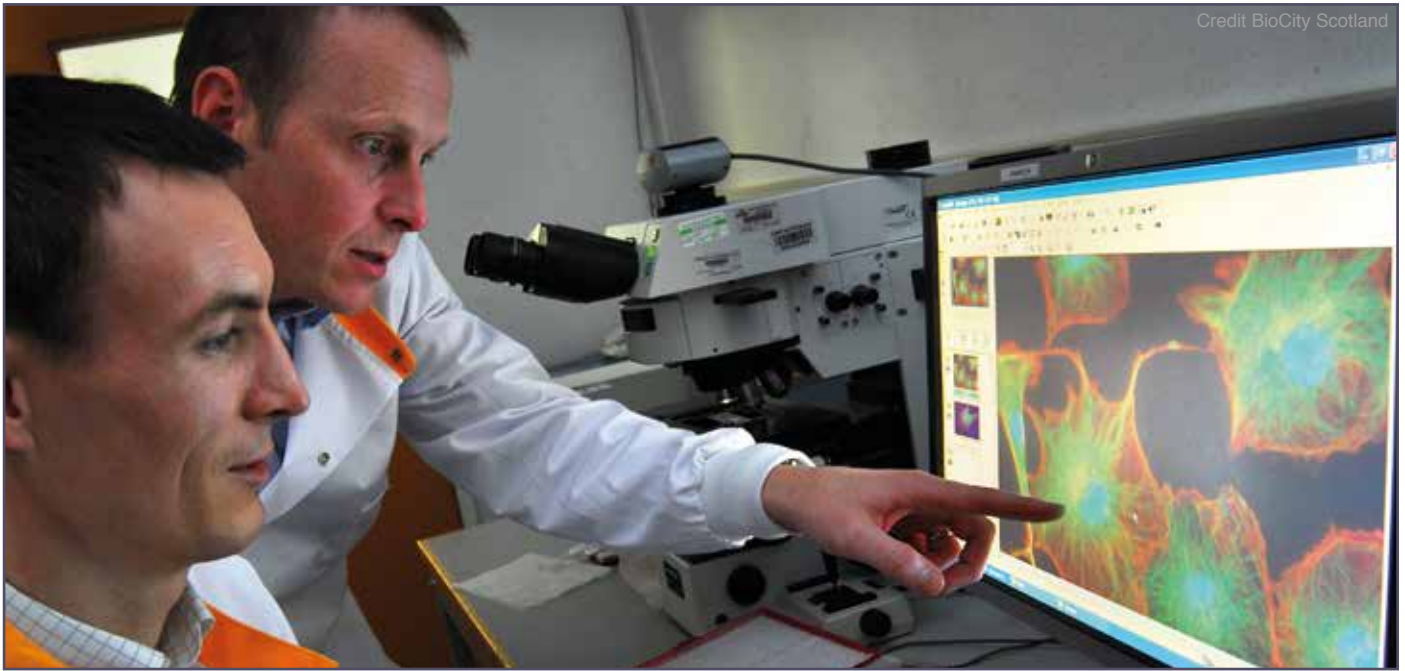


## What we have done:

- Established the Poverty Leadership Panel, directly involving people with experience of living in poverty in the shaping of services.
- First city in the country to establish a living wage in 2009. There are now 450 registered Glasgow Living Wage employers, employing over 80,000 people in the city.
- Used our community benefit policy to provide thousands of jobs and apprenticeships for Glaswegians through the infrastructure investment in the Commonwealth Games.
- Glasgow became a Co-operative council in 2012, placing co-operative values at the heart of services.
- Launched the Working Matters programme - £9million across the city region to support those on health-related benefits back to work.

## Our early actions:

6. **We will use the Glasgow City Deal to tackle inequalities** by placing inclusive growth at the heart of our masterplanning process for all of our infrastructure projects.
7. **The council will poverty-proof all of its economic development policies, ensuring there are no unintended consequences of new initiatives.** We will work with the Community Activist Panel through the Poverty Leadership Panel to ensure those with direct experience of poverty help shape our policies. We will develop new tools which will allow us to assess the impact of new policies and will apply them to all of the recommendations in this report and the action plans which are developed for the key sectors.
8. **As part of a refreshed community benefit policy, the Fairer Glasgow Employer Award will be developed,** recognising commitment to the city's social objectives, including the Glasgow Living Wage.
9. **We will grow Glasgow as a Co-operative city and expand the number of Social Enterprises and Co-operatives in the city** through direct funding and bespoke support for the sector. **We will also develop proposals for a co-operative approach to childcare to support working families.**
10. **We will deliver an in-work progression programme,** piloted with the care sector which will develop a sustainable model of employee progression which improves the skills and increases the earning potential of people working in the care sector, particularly those affected by in work poverty. We will take the learning from this and expand it to other sectors.
11. **We will undertake a review of the social enterprise sector in Glasgow and investigate opportunities around social forms of financing including Social Impact Bonds and the establishment of a Social Stock Exchange in the city.**



## SUPPORTING OUR KEY SECTORS

### **Our vision:**

We will focus our economic development efforts on those sectors where Glasgow has unique strengths and which have the greatest capacity for growth.

### **What we have done:**

- Established the Glasgow Economic Leadership Board to provide key strategic direction across our key sectors.
- Supported 5.5% employment growth in our key sectors over the last five years – more than double the growth in other sectors.
- We have the highest number of jobs and economic output from the digital and tech industry in the country. Glasgow is the digital heart of Scotland.
- The number of people working in the tourism industry has increased by 7,200 over the last four years.



**Our early actions:**

**12. The city will focus its economic development efforts on the key sectors of:**

- A. DIGITAL TECHNOLOGY**
- B. FINANCE AND BUSINESS SERVICES**
- C. CREATIVE INDUSTRIES**
- D. LOW CARBON**
- E. HEALTH AND LIFE SCIENCES**
- F. ENGINEERING, DESIGN AND ADVANCED MANUFACTURING**
- G. TOURISM AND EVENTS**
- H. HIGHER AND FURTHER EDUCATION**

**13. Each sector will develop an action plan** and be private-sector led with support from a named senior official in the public sector.

**14. We will involve the third sector in the shaping of economic development activities** through direct involvement in the Glasgow Economic Leadership Board.

**15. We will expand on our position as the number one digital city in Scotland** by increasing the number of people with digital skills, growing our business base and more effectively marketing our digital success.

**16. We will launch a Retail Action Plan** recognising the key contribution the sector makes to the economy.

**17. Our first action following the publication of the strategy will be to launch a Tourism and Visitor Economy Plan**, setting out our ambitions to attract one million additional tourists by 2023, growing our tourism GVA by £148million.

**18. Through Sustainable Glasgow, we will work with Zero Waste Scotland, the Scottish Institute for Remanufacture, the Glasgow Chamber of Commerce and other partners to develop a strong circular economy, becoming one of the world's most sustainable cities.**

**19. We will conduct a review of the Food and Drink sector in the city** and identify sector specific support to build on recent growth.



## INNOVATION/ HIGH VALUE EMPLOYMENT

### **Our vision:**

Glasgow will be the most innovative city in the UK.

### **What we have done:**

- As the UK's Future Cities Demonstrator, we have used technology and data to make life in the city safer, smarter and more sustainable. From our state-of-the-art city operations centre to the creation of an innovative city data hub, we have pioneered a smart approach to city planning.
- Glasgow is a world leader in precision medicine, power and energy systems, quantum technologies, advanced manufacturing and photonics with a rich research base underpinning this, including:
  - Advanced Forming Research Centre (AFRC)
  - The Centre for Continuous Manufacturing and Crystallisation (CMAC)
  - The Urban Big Data Centre (UBDC)
  - Imaging Centre of Excellence (ICE)
  - Glasgow Polyomics
  - James Watt Nanofabrication Centre (JWNC)
  - The Institute of Photonics
  - Power Networks Demonstration Centre (PNDC).
- As well as outstanding research quality, we have world leading assets for translating research to drive innovation including, in addition to those named above:
  - a High Value Manufacturing Catapult core hub
  - Satellite Applications Catapult Centre of Excellence
  - Stratified Medicines Scotland Innovation Centre (SMS-IC)
  - Precision Medicine Catapult Centre of Excellence
  - Digital Health Innovation Centre (DHI)
  - Industrial Biotechnology Innovation Centre (IBioIC)
  - Centre for Sensors and Imaging for Systems (CENSIS)
  - The Quantum Imaging Centre (QuantIC)
  - The Data Lab
  - the Construction Scotland Innovation Centre.
- Clyde Space is one of the most innovative companies in Europe, supporting the space industry from the heart of Glasgow.



**Our early actions:**

- 20. We will build on but go beyond the Organisation for Economic Co-operation and Development (OECD) definitions of four types of innovation:** product innovation, process innovation, marketing innovation and organisational innovation. We will create the conditions for enhanced public sector innovation and support more innovative approaches for deeper public, private and academic sector collaborations and the City will commit to innovating ways to more deeply engage with our citizens through the Centre for Civic Innovation.
- 21. The city will support the creation of innovation districts** in partnership with industry, business and the universities such as in the Merchant City and the Queen Elizabeth University (QEU) Hospital. These will build on the city's key strengths in areas such as pharmaceutical manufacturing, distributed energy, photonics, bio-nano technology, aerospace manufacturing and oil and gas, and will see the formation of SME clusters, similar to the emerging life sciences cluster at the QEU.
- 22. Glasgow and Amsterdam will establish the European Innovation Forum,** bringing together Europe's nine most innovative cities to develop our innovation economy.
- 23. The City of Science Board will be relaunched as the City of Science and Innovation Board** bringing together the public, private and academic sectors to develop Glasgow's growing innovation economy
- 24. Working in partnership with Scottish Development International (SDI), Invest Glasgow will launch a new foreign direct investment strategy** targeted at key markets in Europe, North America and the Far East.



## SMART INFRASTRUCTURE INVESTMENT

### Our vision:

We will create the conditions for growth by remediating land, investing in connectivity and exploiting all opportunities to develop a smart infrastructure network across the city.

### What we have done:

- Invested £530million in capital infrastructure for the Commonwealth Games, building a genuine legacy for the city and its citizens
- We have attracted £5.27billion of commercial property investment in the past decade, ranking only behind Manchester and Birmingham for investment outside London
- Negotiated the biggest City Deal of its kind at the time in the UK, guaranteeing £1.13billion of infrastructure investment over the next 10 years

**Our early actions:**

- 25. We will develop proposals for a Glasgow Infrastructure Fund supporting capital investment in the city.**
- 26. We will exploit the opportunities that the City Deal offers to further expand the required foundations for a Smart City across Glasgow** including installing digital and other infrastructure wherever construction and excavation work takes place across the city and ensuring the continuing introduction and enhancement of Smart City services as an integral facet of City Deal projects where appropriate.
- 27. We will revitalise the city centre through the delivery of the City Centre Strategy and £115.5million of City Deal investment** improving the public realm, investing in smart infrastructure such as surface water management systems and adaptable lighting systems, the creation of avenues of trees, segregated cycle lanes, and reductions in vehicle traffic.
- 28. We will invest £113.9million in the Clyde Waterfront and West End Innovation Quarter. This area has fantastic assets, such as the New South Glasgow Hospitals Campus, the University of Glasgow, Pacific Quay and the West End itself.** We will invest to unlock potential vacant and derelict sites for employment and housing; to enhance clustering and stimulate growth in the Life Science and Higher Education sectors and maximise the benefits of existing high value industries; and spread the benefits of City Deal investment to tackle multiple deprivation, particularly in Govan.
- 29. We will completely transform Sighthill** with £250million of investment creating new homes, a new school, a new pedestrian bridge improving connectivity across the M8 motorway and a new road bridge linking the area to the north and west of the city.
- 30. We will invest £27million in the Calton/Barras area** improving access to High Street railway station; upgrading the streets linking Gallowgate and Duke Street; enabling the further development of the Collegelands site to include a hotel, more office space and leisure facilities; building a new foot bridge proving a key link between Duke Street and Armour Street; and remediating land at the former meat market site at Bellgrove to create an attractive development site close to the city centre.
- 31. We will invest £45.8million in improving drainage across Glasgow** unlocking significant land for development across the city.
- 32. In partnership with Renfrewshire Council and the UK and Scottish Governments, we will build a surface access transport link between Glasgow city centre and Glasgow Airport.**



## INFRASTRUCTURE IN GLASGOW



### THE GLASGOW CITY REGION CITY DEAL

The Glasgow City Region City Deal is an agreement between the UK Government, the Scottish Government and eight local authorities across Glasgow and the Clyde Valley.

The partnership has secured £1.13 billion, the largest City Deal of its kind in the UK, which will focus improvement in the Glasgow and the Clyde Valley across 26 projects.

The project will:

- support thousands of unemployed people back into work;
- greatly improve our local transport network (in terms of roads and public transport);
- deliver key regeneration and development projects;
- encourage private sector investment into the area; and
- ultimately provide an enormous boost to the city region's economy.

Key City Deal projects in Glasgow over the next decade include the creation of a bridge connecting Partick and Govan; new public realm works throughout the city centre; new pedestrian and traffic bridges in Sighthill; the development of the former meat market site at Bellgrove; incubator growth space in the Merchant City for young, high-growth companies; and a new drainage scheme at the canal to enable further investment and development there.

These tremendously exciting City Deal projects will help to transform Glasgow and its economy, bringing thousands of job during and after the construction periods and taking the city to the next economic level.

These projects will help to tackle long-term economic issues and build a platform for future prosperity.



## **CITY CENTRE**

Glasgow city centre, the UK's 2nd most important centre in retail and finance will retain and build on this position through improvements to the public realm; resurfacing of streets and pavements; 'smart' infrastructure; creation of avenues of trees; segregated cycle lanes; underground facilities and reductions in vehicle traffic. Supported by £115.5 million investment.

## **CLYDE WATERFRONT**

Clyde Waterfront has fantastic assets, such as the Queen Elizabeth University Hospital Campus, Glasgow University, Pacific Quay and the West End, but has suffered from industrial decline, and would benefit from better travel connections. The key objectives are the unlocking of vacant and derelict sites for employment and housing; to stimulate growth in the Life Science and Higher Education sectors; and tackling multiple deprivation, particularly in Govan supported by £113.9 million investment.

## **CANAL AND NORTH GATEWAY**

Canal and North's strategic location as a gateway to North Glasgow offers great potential to capitalise on its assets, including knowledge-based industries, the Sighthill Transformational Regeneration Area project, a growing cultural industries cluster, new leisure and recreation facilities and a number of vacant development opportunity sites. Improving connections to the city centre is a key aim of this project worth £250 million in total, of which £83.6 million comes from City Deal.

## **COLLEGELANDS CALTON BARRAS**

The Collegelands project aims to unlock the area's development potential and enable the continuation of economic activity from the city centre to the East End and the progression of the existing Calton Barras Action Plan by improving infrastructure, quality of land and travel connections supported by £27 million investment.

## **METROPOLITAN GLASGOW STRATEGIC DRAINAGE PARTNERSHIP**

The £45.8 million Metropolitan Glasgow Strategic Drainage Partnership will tackle the deficiencies in Glasgow's drainage infrastructure identified after the 2002 floods, minimising the social, economic and environmental impact of flooding on homes and businesses, as well as removing constraints on investment and regeneration.



## **THE GLASGOW CITY DEVELOPMENT PLAN**

A clear 10 year planning framework for the city is set out in the City Development Plan (CDP), including a spatial strategy, policies and proposals for the future use of land and infrastructure.

It is recognised that the efficient use of land and provision of good infrastructure are important for the wellbeing of the city, particularly when supported by a commitment to create and maintain high quality places.

The CDP is our key document for all planned works and aims to give certainty for investment decisions for the public and private sectors. Indicating where development and regeneration, should and shouldn't happen. Future planning applications will be determined according to the policies in the CDP.

## **CLYDE GATEWAY**

This project was established to undertake the regeneration of 840 hectares across the east end of Glasgow and South Lanarkshire. It works in partnership with Glasgow City Council, South Lanarkshire Council, Scottish Enterprise and the Scottish Government and driving forward £1.5 billion of private sector investment to establish the area as a hub of business activity.

Having already completed various developments, new build offices and industrial premises, as well as site preparation, Clyde Gateway is fast becoming a place of opportunity for those looking to join already successful businesses in the area.

Neighbouring Glasgow's city centre Clyde Gateway makes the ideal investment area. Since its establishment, Clyde Gateway has:

- built six office complexes that already support 2,500 jobs in the area;
- created Scotland's best connected business park adjacent to a main junction of the M74
- attracted some of the most innovative & fastest-growing companies to the east end completed four top-quality community buildings – the Olympia, the Legacy Hub, No.18 and Church House - used on a daily basis by thousands of local residents
- opened a Woodland Park at Cunningar Loop, in the heart of an urban area, with at least one of its many attractions unique in Scotland.





## HOUSING MIX

### Our vision:

Through the implementation of the Glasgow Housing Strategy, we will work closely with the development industry to create attractive housing market opportunities, de-risk development activity and ensure that people have access to the means to buy and rent Glasgow's homes.

### What we have done:

- Invested over £1 billion since 2003 to rebuild or refurbish 15,000 homes in the city.
- Worked in partnership with the Scottish Government and Glasgow Housing Association to regenerate communities across the city through the Transformational Regeneration Areas programme.
- Developed an ambitious new housing strategy which will deliver 25,000 new homes by 2025.

### Our early actions:

**33. The city will build 25,000 new homes.**

**34. Through a review of our urban planning policy and the provision of more homes, we will increase the number of affordable homes and the number of people living in the city centre.**

**35. We will call on the Scottish Government to reinstate the Vacant and Derelict Land Fund enabling cities to bring land back to sustainable use.**



## SUPPORTING ENTERPRISE

### Our vision:

We will develop the most comprehensive business support offer in the UK making Glasgow the most business friendly city in the country. Small and medium-sized enterprises (SMEs) are the lifeblood of the Glasgow economy and we will make supporting them our number one priority in business support.

### What we have done:

- Using data analytics, we have moved our focus away from startup to sustainability, helping increase the Glasgow business base by 2,000 in just two years.
- We are the 2016 European Entrepreneurial Region of the Year, recognising our economic development efforts.
- Developed a new approach to enterprise, focusing on high quality advice and support rather than short-term grant funding.



**Our early actions:**

- 36. We will support growing businesses in our new high-growth innovation hub at the Tontine Building at Glasgow Cross, supporting 153 companies over the next five years.** This will be at the heart of our City Centre Innovation District along with the Technology and Innovation Centre at the University of Strathclyde and the Inovo Building.
- 37. There will be a seamless integration of economic development activity in the city** with all organisations working in partnership towards the common objective of increasing productivity.
- 38. The city will actively support the local economy through procurement** guaranteeing work for local SMEs where possible.
- 39. The city will ensure that we maximise the business and employment opportunities that come from hosting major events** particularly the 2018 European Championships.
- 40. We will establish an Enterprise and Jobs Hub for the Glasgow City Region** looking at more regional delivery of services, starting with Business Gateway.
- 41. We will explore alternative finance models, including local co-investment to stimulate innovation among SMEs in Glasgow.**
- 42. Working in partnership with organisations such as the Scottish Council for Development and Industry and the Glasgow Chamber of Commerce,** we will significantly increase the number of Glasgow companies exporting.
- 43. We will lobby the Scottish and UK governments to ensure a continuation of a structural funds programme to support employability and business growth after the UK leaves the European Union.**



## LINKING EDUCATION TO EMPLOYMENT OPPORTUNITIES

### Our vision:

We will put economic development at the heart of the city's education policies, joining up our schools, colleges and universities to ensure our citizens have skills relevant to the local economy.

### What we have done:

- Established the first Developing the Young Workforce group in Scotland a regional industry-led group driving employer engagement with schools and colleges supporting more employers in recruiting more young people into their workforce.
- Established the Youth Employment Board to bring together employers, education providers and the third sector to provide strategic direction.
- Supported the development of Foundation Apprenticeships particularly through the GEL Finance and Business Services workstream.
- Delivered the Glasgow City Council Intern Programme since 2011 providing substantial work placement opportunities.



**Our early actions:**

- 44. We will increase the number of young people gaining qualifications in IT, support the establishment of more digital skills academies and provide more support for coding in primary schools** to tackle the digital skills shortage and provide our citizens with the skills to take advantage of one of the city's key sectors.
  
- 45. Working in partnership with employers Glasgow will pioneer a new approach to work experience, giving young people sustained experience of the world of work. We will also increase mentoring support for young people studying in Glasgow's schools.**
  
- 46. Glasgow will put economic development at the heart of the city's education policies** including ensuring headteachers, parents and higher and further education institutions are informed of economic trends and opportunities.
  
- 47. The council will work with our colleges to develop a coordinated approach to delivery of the City Deal** ensuring a pipeline of talent to fill vacancies over the lifetime of the projects.



## INCREASING OUR POPULATION

### Our vision:

We will grow the Glasgow population to ensure we have the workforce to meet our economic objectives.

### What we have done:

The success of Glasgow is perhaps best reflected in the simple and powerful fact that more and more people want to live, work and study in our city.

National Records of Scotland projections showed population growth of 90,000 by 2037. However, recent changes to methodology around migration show that this may be revised down.

Economic success drives population success and we need a bigger population. Greater support for inward migration, particularly post-Brexit, is required.

### Our early actions:

- 48. Glasgow will lobby the UK Government to change post-study work visa policies** enabling the city to increase its population and retain talent.
- 49. We will lobby the UK Government to ensure our voice is heard in the negotiations to leave the European Union** particularly around passporting for financial services and freedom of movement.
- 50. We will ask both the Scottish and UK governments to notify the council of all surplus land holdings** to enable their inclusion in the city's Strategic Housing Investment Plan. This will support the acceleration of major house building programmes and provide a major stimulus to the Glasgow and Scottish economy.

## 08 LEADERSHIP

**The most successful cities have strong, coherent and consistent leadership.**

The triple helix in Glasgow of the private sector, public sector and academia working together through the Glasgow Economic Leadership Board (GEL) has provided Glasgow with a uniquely strong leadership model. This was recognised by the European Commission in naming Glasgow European Entrepreneurial Region of the Year 2016.

The GEL Board will continue to provide economic leadership for the city, challenge the delivery partners and support the continued growth of the city. For the first time, the city will include representation from the third sector on the GEL Board to widen this leadership.

We will work collaboratively with the Scottish Government to support their ambitions around inclusive growth, internationalisation, innovation and investment. The city will also work in partnership with the 7 other local authorities in the city-region to develop a Regional Economic Strategy and explore ways to maximise the many strengths the city-region has.

Each of our key sectors will be led by the private sector, with named senior support from public sector partners to ensure action plans are developed and implemented.



Data analytics will inform our future decision making, with constant analysis of the city's strengths and analysis of future scenarios. We will be fleet of foot to take advantage of new opportunities as they arise.

Support for delivery of the economic strategy will be undertaken and resourced by the Economic Development division of Glasgow City Council.

# 09 OUR AMBITIONS

Our ambitions for 2023 are clear. By continuing to focus on growth and tackling the longer term challenges the city faces, we aim to achieve the following:



50,000 new jobs



1,000 Glasgow Living Wage employers



1,000 more businesses



Highest five year business survival rate in UK



25% increase in GVA (2013-2023)



50% reduction in number of adults with no skills



2,500 new hotel beds



25% increase in high growth companies



1 million additional tourists



Sustained and permanent decrease in youth unemployment



70% employment rate



25,000 new homes



Significant population growth



100% fibre coverage in city



Sustained improvement in the health of our citizens with measures to be agreed by the Health Inequalities Commission





## 10 CONCLUSION

This strategy highlights some of Glasgow's incredible strengths, but also sets out a new approach to increasing productivity, focusing on growing the business base, improving links between education and commerce and tackling poor health and poverty.

A successful Glasgow economy is one where the public, private and third sectors are working in collaboration with academia and citizens to deliver growth and opportunity for all.

This is an ambitious city. This strategy reflects that ambition. By implementing this strategy, Glasgow will become the most productive city in the UK. That is our goal.



## OUR VISION

# GLASGOW WILL BECOME THE MOST PRODUCTIVE MAJOR CITY IN THE UK

## THE STRATEGY WILL BE BUILT ON 3 GUIDING PRINCIPLES



1. It must be an economic strategy for all with tackling poverty and improving health at the heart of our efforts.
2. The public sector's role is to create the ideal conditions for growth.
3. Partnership between the public, private, third, academic sectors and our citizens is central to success.

## OUR STRATEGY AND EARLY ACTIONS



### RAISING HEALTH

1. Establish a Health Commission



### SKILLS FOR ALL

2. All employability support in the city will include a transferable qualification
3. Glasgow Guarantee
4. Increasing focus on those furthest from the labour market
5. Jobs and Skills Board



### A FAIRER GLASGOW

6. Inclusive growth at the heart of City Deal masterplanning
7. Poverty-proof all economic policies
8. Fairer Glasgow Employer Award
9. Develop co-operative approach to childcare
10. In-Work Progression Pilot
11. Social Financing



### SUPPORTING OUR KEY SECTORS

12. Key sectors:- Digital technology; Finance and Business Services; Creative Industries; Low Carbon; Engineering, Design and Advanced Manufacturing; Tourism and Events; and Higher and Further Education.
13. Action plans for all sectors
14. Third sector on GEL Board
15. Focus on increasing digital business base
16. Retail Action Plan
17. Tourism and Visitor Economy Action Plan
18. Development of circular economy
19. Food and Drink sector support



## **INNOVATION / HIGH VALUE EMPLOYMENT**

20. Innovation Ecosystem
21. Innovation Districts
22. European Innovation Forum
23. City of Science and Innovation Board
24. New FDI strategy



## **SMART INFRASTRUCTURE INVESTMENT**

25. Glasgow Infrastructure Fund
26. Smart City foundations
27. Revitalise the City Centre
28. Clyde Waterfront development
29. Transform Sighthill
30. Upgrade Calton/Barras
31. Remediate land through drainage plan
32. Surface access to Glasgow Airport



## **HOUSING MIX**

33. 25,000 new homes
34. Increase in city centre living
35. Call for reinstatement of Vacant and Derelict Land Fund



## **SUPPORTING ENTERPRISE**

36. Innovation Hub at Tontine
37. Seamless integration of support
38. Support for SMEs through procurement
39. Maximise business opportunities from 2018 European Championships and other events
40. Regional Enterprise and Jobs Hub
41. Alternative finance models to encourage innovation
42. Support for exporting
43. Lobby governments to ensure continuation of structural funds post-EU



## **LINKING EDUCATION TO EMPLOYMENT OPPORTUNITIES**

44. Increase in digital skills
45. New approach to work experience
46. Economic growth at heart of education system
47. Work with colleges to develop pipeline of talent for City Deal projects



## **INCREASING OUR POPULATION**

48. Lobby UK Government to change post-study work visa policy
49. Strong voice for Glasgow in EU negotiations, particularly around freedom of movement
50. Lobby Government to notify Council of surplus land to accelerate house building

