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FOREWORD

I am delighted to present East Ayrshire's Economic Development Strategy which outlines our robust approach to ensuring the economy of our area grows in future years.

This is an evidenced approach and tackles the short, medium and long term goals to achieve financial growth and stability for the communities of East Ayrshire.

This Strategy builds upon the success of previous work, adding new insights and understanding that has resulted from discussions with businesses and partners, and reflecting a strong commitment to work together to maximise opportunities locally for the benefit of business, employees, residents and visitors.

Home to over 2,000 companies, local networks and partnerships have created a strong and resilient business community which has, in recent recessionary times, continued to evolve. We want to ensure that successful evolution continues.

We are looking to invest in the infrastructure and environment that allow businesses to grow. We want to develop and enhance our incentives, advice and support to new and existing businesses as well as to potential investors. We want to create a strong sense that East Ayrshire is 'open for business'.

Skills are also a high priority for us and we are looking to strengthen our links with employers and training providers to ensure we deliver the right qualifications for our residents to increase their employment chances.

We have a strong vision for East Ayrshire. In partnership with public sector organisations and businesses, we will develop detailed plans that will deliver a comprehensive and coherent approach to economic regeneration in our towns, villages and rural communities. We invite you to work with us to deliver this strategy.

Cllr Douglas Reid Leader of East Ayrshire Council

Yangla Kand

"East Ayrshire will be a place with strong, vibrant communities where everyone has a good quality of life and access to opportunities, choices and high quality services which are sustainable, accessible and meet people's needs."

INTRODUCTION

This document sets out the Economic Development Vision and Priorities with associated key actions for East Ayrshire for the period 2014- 2025.

The purpose of local economic development is to build up the economic capacity of a local area to improve its economic future and the quality of life for all. It is a process by which business and the public sector work collectively to create better conditions for economic growth and employment generation.

East Ayrshire Council has led the development of this strategy on behalf of its partners and it has been finalised with their input and following an online consultation process. Our strategy provides a shared vision and framework for partnership working with key organisations that have an important role in helping to shape and grow the East Ayrshire economy.

The purpose of this strategy is therefore to set out the ambitions of East Ayrshire for transforming the local economy, clearly articulating our priorities and alignment with the themes of the Scottish Government's Economic Strategy and the plans of our Community Plan Partnership.

The Community Plan is the sovereign document in East Ayrshire and its vision is that "East Ayrshire will be a place with strong, vibrant communities where everyone has a good quality of life and access to opportunities, choices and high quality services which are sustainable, accessible and meet people's needs."

Our strategy represents a high level plan for economic development and it will contribute positively to the overall vision for the area. It feeds into the aspirations and processes of Community Planning and the Single Outcome Agreement which in turn links it to a coordinated framework of other plans including the Local Development Plan, the Local Housing Strategy, the Local Transport Strategy, the Leisure and Cultural Strategy, the Health Improvement Plan and the Ayrshire and Arran Tourism Strategy.

It takes account of a challenging financial environment for all partners and recognises the direction of travel set out in the Council's Transformation Plan. We touch too on wider issues that contribute to and impact on economic growth in

relation to, for example, health, poverty and educational attainment. These are issues which are being addressed with specific plans for making their contribution to and gaining from economic growth and we recognise the important role that Economic Development plays in the wellbeing of all our communities.

Our strategy also reflects and complements the work of key partners including the Ayrshire Economic Partnership, Skills Development Scotland, Business Gateway, the voluntary sector, the Ayrshire Chamber of Commerce and Industry, Federation of Small Businesses, Scottish Enterprise, Scottish Development International, Prince's Youth Business Scotland and Higher Education and Further Education providers locally. The action plan derived from this strategy will include partnership activity.

Over the period from 2014 to 2025 the focus of our work will be to raise the profile and promote East Ayrshire as a business location of choice, by building on our strengths to shape and deliver an enhanced infrastructure that will support more businesses to start up, grow or be attracted to the area.

The Strategy is evidence based, and has been produced taking cognisance of the Improvement Guide issued by Scottish Local Authorities Economic Development Group and Audit Scotland's review of the role of community planning partnerships in economic development.

The strategy has been prepared at a time when all the indications are that the UK has emerged from recession but growth is weak. Construction, one of the barometers of the nation's economic health saw its activity contract by 3% in 2012 and investment remained slow in 2013, while exports are struggling in very volatile European and global markets and access to finance for our business community continues to prove challenging.

In recent years we have had to respond quickly to major redundancy situations and the future remains uncertain. Our strategy will therefore be supported by an annually updated action plan which provides the necessary flexibility to respond swiftly to a complex and unpredictable economic outlook. This action plan will be developed in partnership as part of the process of reviewing Community Planning and the priorities associated with this.

A performance framework has been devised to indicate delivery and monitor progress against the strategic priorities. Key operating principles define how we and our partners will pursue the agenda of economic development for the growth and success of East Ayrshire.



WHO WE ARE

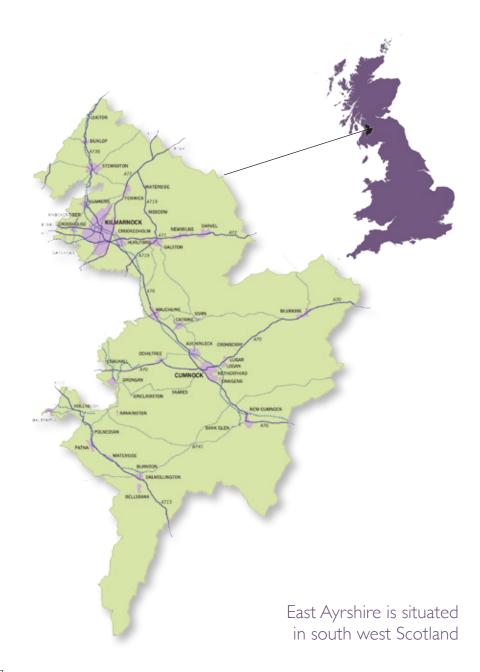
East Ayrshire covers some 490 square miles; has a population of approximately 120,000 and has a mixture of urban and rural communities, with a sparsely populated hinterland. Kilmarnock is the largest urban area with a population of around 44,000. The rest of the population live in smaller communities ranging from two hundred people to around 9,000 in the second largest urban hub, Cumnock.

Situated to the south west of Glasgow and away from the Ayrshire coast, East Ayrshire has a varied natural environment; lush meadows, forests, deserted moorland and rolling hills. It has castles, stately homes, museums and one of Ayrshire's two theatres. It offers a range of activities for residents and visitors alike and is associated with many of Scotland's historic figures, such as Robert Burns, William Wallace and Alexander Fleming.

Despite excellent transport links, parts of the area are perceived as remote. East Ayrshire is strategically located between the M77 corridor from Glasgow to South Ayrshire and the M74 from Glasgow to the north of England. It is also linked by the A713 and A76 to England and the M6. Investment in rail infrastructure has seen an increase to two trains an hour from Glasgow and direct regular connections to Carlisle and the West Coast rail link to London.

Kilmarnock is 20 minutes by car from Glasgow and 40 minutes from Glasgow Airport. It is also only 15 minutes from Prestwick Airport which not only offers a range of holiday destinations but from a business perspective is open to freight 24 hours a day.

The area has good services and a strong sense of community. It can boast excellent schools, leisure facilities and a variety of heritage and cultural attractions and events. The housing offer in East Ayrshire caters to all budgets and needs and the proximity of the area to Glasgow has in recent years led to an increase in population as commuters have made it their home.



Historically, East Ayrshire's economy was based around coal mining, textiles and general manufacturing but, like the majority of the West of Scotland, these sectors fell into decline in the 70s and some of our communities have failed to fully recover from the impact of this and have been unable to reposition themselves for new industry. Some £200m has been invested by the Council in physical improvements yet some of the built environment and the local business and industrial space continue to reflect that decline.

New employers have come into the area but growth has been slow and economic inactivity has persisted. One of Kilmarnock's major employers, drinks company Diageo closed the Johnnie Walker bottling plant in the town in 2012 with the loss of some 700 jobs and the recession has claimed other smaller companies such as construction business Forbes and Whiteford and AJ Clark who have been unable to react to the pressures of reduced bank financing and shrinking order books.

Other companies, such as Mahle Engineering, have shed jobs in the last year while our high streets have been affected by national bankruptcies such as Clinton Cards.

Most recently, the south of the authority area has suffered major job losses as two of our opencast coal operators have entered liquidation and more than 300 local people have lost their livelihoods. There are major environmental and site restoration issues associated with this industry which impact on the future viability of the sector and which may impact on future job opportunities locally.

Three projects are being developed by Scottish Enterprise, Skills Development Scotland, Scottish Development International and East Ayrshire Council in response to these job losses; specifically in relation to business development; inward investment and marketing and communications.

An independent economic impact assessment of the opencast closures and their effect on communities has been also been completed and the recommendations it makes in relation to three key themes of People, Place and Economy are reflected in this strategy.

Large engineering companies once dominated in East Ayrshire too and while in recent years they have been replaced by smaller businesses the significance of the sector and its contribution to the local economy should not be underestimated.

We have a number of world renowned businesses, producing and exporting equipment and expertise, who have grown in recent years and who demonstrate ambitions to expand further.

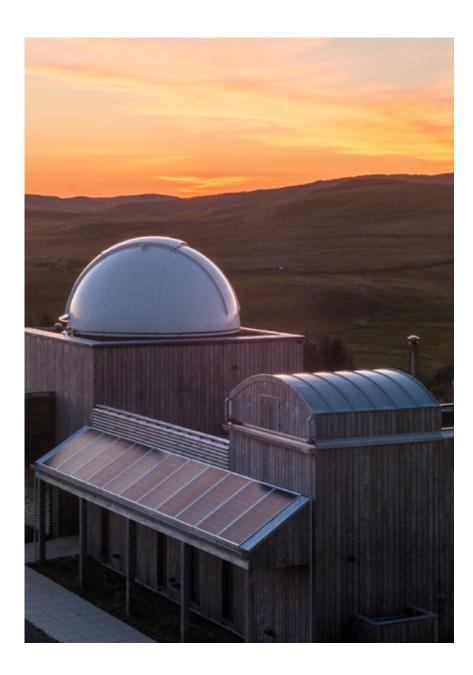
Food and Drink and tourism have also become our key growth sectors and again we have a number of quality businesses exporting across the globe. The latter is underpinned by a strong culture and leisure offering across East Ayrshire with major investment in the Palace Theatre, the Dean Castle Country Park and a new athletics venue in Kilmarnock.

In our rural areas, agriculture continues to offer employment opportunities (albeit on a reduced scale) and open cast mining also continues to support jobs on a more limited number of operational sites. At present a number of rural diversification projects have sustained local farms and protect employment numbers and opportunities exist to build on these.

The UNESCO Biosphere Designation in the Doon Valley/Cumnock area together with the Dark Sky Observatory in Dalmellington present opportunities for further growth, particularly in tourism. Communities are responding by developing their own regeneration plans to exploit these opportunities.

The public sector is the largest employer in East Ayrshire. The Health Board and the Council are both major employers and while this trend is in line with many other local authority areas in Scotland, pressures on the public sector purse are creating a need to move away from a dependency on the public sector. On a positive note, In East Ayrshire we are able to demonstrate a growth in private sectors jobs with an increase of 43% in business administration and support services between 2009 and 2011.

In 2012, the Council approved its Transformation Plan which sets out the priorities for East Ayrshire against that reducing budget and our proposals are set in this context. The Council is committed to transforming its relationship with the communities it serves and we must ensure that our economic development strategy recognises that step change and supports its resident and business communities to grasp the opportunities this change will present.



Economic commentary in 2013 has indicated a small growth in private sector jobs in Scotland since late 2011 and it is essential that East Ayrshire is in a strong position to compete with other areas in Scotland and the UK for investment and business growth.

Our economic development strategy seeks to set out the priorities to achieve that competitiveness whilst also taking account of the economic outlook for Scotland and the UK for the next two years; an outlook which will largely determine the success of all our plans, at least in the short term.

In this regard, the views of economists are extremely cautious and a mixed picture for the UK is predicted.

In Autumn 2012, the then Governor of the Bank of England, Sir Mervyn King, forecast that it would not be until at least 2014 that activity would return to its pre-recession peak in 2008. He stated that "the recovery and rebalancing of our economy will be a long, slow process."

Our fortunes are affected by events in Europe and the rest of the world and changes of political leadership across Europe, Scotland's independence referendum, volatility of markets in the Eurozone. rising unemployment and stuttering growth will continue to cause uncertainty in the short term. Credit ratings remain under threat in several EU member states and unemployment is above 20% in some countries. Demand for exports to these countries is unlikely to be buoyant until recovery takes hold.

Unemployment has risen steadily since 2008 (5.8% for October 2007 to September 2008) and for the period from October 2012 to September 2013 has been 11%.

Claimant count figures are available on a monthly basis and have risen from 3.5% in November 2008 to 4.9% in November 2013. The forecast is that the economy will show only very modest GDP growth over the next four years. It is also predicted that it may be 2027/28 before Scottish public spending returns to the 2009/10 level in real terms.

However, on a positive it is true to argue that Scotland's last recession was shorter and shallower than the UK as a whole. Albeit growth is weak, certain sectors of the local economy such as engineering, food and drink, hospitality and business services have shown positive trends in 2012 and 2013.

RECENT ECONOMIC PROGRESS

At present, it is impossible to deny the challenges for East Ayrshire's economy and the impact on our residents. We acknowledge that delivering on our aspirations is some way off but much of our story is positive and we should not ignore the many successes of the last 18 months. These successes are the foundations upon which we must build.

- Our employability team, and partner organisations, particularly those with a community base, have worked with 2,000 people in the period since 2011 and to date some 500 have secured jobs. Additional resources have been committed by the Council for 2014/15 to support a new intern programme;
- National Training Programmes, facilitated by Skills Development Scotland, have supported over 800 young people in 2013 to move closer to full participation in the labour market:
- We have a strong Further Education sector in Ayrshire and this is enhanced by the recent merger of Ayr and Kilmarnock Colleges and the Kilwinning campus of James Watt College to form a single Ayrshire College. This new regional college continues to offer a broad curriculum to our school leavers and adult learners and will strive to build strong links with the business base to provide meaningful work experience opportunities to students and to ensure that learning is aligned to business needs. This agenda is complemented by strong links to Higher Education and the presence of a University of the West of Scotland campus in Ayr;
- Business start-up rates were sustained in 2012 with 279 new companies, while 2013 has seen a drop off in start-up activity;
- On a positive, from those 2013 start-ups, we are seeing an increasing number of high value companies entering the growth pipeline;
- Scottish Enterprise provides support to approximately 60 of our larger companies each year; particularly where there is significant growth potential and access is provided to Scottish Enterprise's business support grants and loans. We currently have 37 account managed companies in East Ayrshire and in the first six months of 2013/14 another 30 have benefited from support from Scottish Enterprise;

- East Ayrshire's Third Sector Interface works with our social enterprises to support their sustainability and growth plans and recent events have explored the opportunities to be derived from public sector contracts;
- The Ayrshire Chamber of Commerce and Industry is a membership organisation supporting over 200 East Ayrshire businesses and providing access to networking and training opportunities as well as mentors to our growth companies;
- We have, with partners Scottish Development International, fielded an increasing number of inward investment enquiries. We translated 1 of these into a relocation into East Ayrshire in late 2012 and discussions continue with a number of local companies keen to expand and invest locally;
- We have invested £Im in developing an enterprise culture within our schools and enterprise projects are being delivered across our secondary schools. For 2014/15, the Council has committed additional resource to support our young entrepreneurs get their business ideas off the ground;
- We are supporting the West Coast Hatchery, a free facility where our entrepreneurs can access the range of advice and support they require to turn their ideas into successful businesses;
- In partnership with the Scottish Government and Heritage Lottery, we have invested £40m in the regeneration of our town centres; enhancing the built environment and safeguarding our built heritage;
- In line with national figures for Scotland, tourism had seen growth of 5% in real terms between 2006 and 2010 with increased visitor numbers and spend and while this has slowed in subsequent years the trend is more positive than in other parts of Ayrshire and indeed Scotland;
- Our young people are benefitting from 6 new schools and 4 refurbishments;
- Our capital plan has seen £45m invested in our roads network;
- We continue to build social housing with another 205 scheduled for completion in 2015;
- £200m of capital investment projects (including schools, leisure centres and community facilities) have supported in the region of 4000 construction jobs locally;

- We have located over 1000 council staff within our town centres;
- In 2012/13, we invested £260,000 in grants and loans to our indigenous business base to support its sustainability and growth and have engaged with some 300 companies. Monitoring of grants disbursed in 2011 confirm that 217 new jobs have been created by grant recipients as a longer term outcome of investment and projections for 2012/13 point to the creation of another 207 jobs;
- Additional resource has been committed by the Council for 2014/15 to support further grants to businesses to provide tailored packages of support to those with growth ambitions;
- A new Integrated Urban Development Plan has been adopted by the Council
 and partners as the template for Kilmarnock Town Centre's future and in Cumnock
 significant investment has already been made and will be enhanced by the
 demolition of the Glaisnock Shopping Centre and the provision of new retail space
 on an adjacent site; and

Despite these successes, our economic profile suggests some problems are deep rooted and much remains to be done. Some of our key issues are:

Jobs Growth and Wages

While Business Gateway has delivered on target business start-ups between 2009 and 2012, the rate of growth has been slower than the Scottish averages over the same period.

Similarly our job density figure is below the Scottish average which presents considerable problems for our job seekers in terms of entering the labour market locally. It effectively means that In East Ayrshire we have 77,900 people of working age (between 16 and 64) and we have a total number of jobs in the area of 47,000.

Average weekly earnings are above the Scottish level both in terms of East Ayrshire residents and those working in East Ayrshire. The variance which exists between these two figures suggests that out-commuters are disproportionately concentrated in higher paying jobs; reflecting the important interactions with neighbouring authorities, in addition to close proximity to Glasgow.



Business and Innovation

The area, our rural and urban communities, is home to a variety of industries and has an impressive portfolio of growing businesses.

Clusters characteristics are evident including food and drink, renewables, engineering and tourism.

In terms of productivity it is not possible to obtain data on economic output for East Ayrshire alone. Figures are available for East and North combined and the most up to date data (from 2008) showed economic output, measured as Gross Value Added or GVA, was £3.1 bn. This represented 3% of Scotland's total GVA which is in line with the area's share of national population.

In sector terms, the service sector accounts for over half of all economic output from East and North Ayrshire with services accounting for 62% of total GVA while industrial activities including manufacturing and construction accounting for 37%. This indicates a greater reliance on the industrial sector than for Scotland as a whole, where the sector only accounts for 24% of GVA.

The area is performing relatively well in public and other services, manufacturing, distribution, transport and communications and less well in financial and business services.

Inward Investment

Despite the economic climate, East Ayrshire has attracted a number of inward investment enquiries in the last year.

Enquiries for land and property remain steady and a portfolio of development opportunities have been promoted to the private sector with potential employment sites updated as part of the Local Development Plan processes.

The M77 extension has created an important employment corridor with excellent M8 and M74 links. This is helping to stimulate further interest in development and investment now that economic recovery is underway. EU funding has been secured to undertake speculative build of industrial property to further enhance the competitiveness of the area post-recession.



Business Sectors

The table below details workplace employment by sector for East Ayrshire and shows the % change for the period 2007-2011:

East Ayrshire Employment

	2007	2009	2011	Change	%Change
Agriculture, forestry & fishing	100	-	100	-	8%
Mining, quarrying & utilities	1,200	1,100	1,300	100	10%
Manufacturing	5,000	3,200	3,100	-1,900	-37%
Construction	2,600	2,200	2,100	-500	-20%
Motor trades	1,000	800	700	-300	-29%
Wholesale	900	1,200	1,100	200	24%
Retail	4,300	4,300	4,000	-300	-5%
Transport & storage	1,400	1,600	1,600	200	9%
Accommodation & food services	1,900	2,000	1,600	-300	-15%
Information & communication	300	400	200	-100	-15%
Finance & insurance	700	500	500	-200	-25%
Property	200	300	200	-	5%
Professional, scientific & technical	1,000	1,400	1,100	100	8%
Business administration & support services	3,100	3,400	4,500	1,400	43%
Public administration & defence	2,400	3,300	3,100	700	30%
Education	3,000	2,700	2,800	-200	-6%
Health	7,800	9,500	10,000	2,200	29%
Arts, entertainment, recreation & other services	2,000	1,500	1,900	-100	-3%
Total	38,800	39,500	40,000	1,200	3%

Source: BRES. Change and % Change are for the period 2007-201 | These figures exclude the self-employed, government supported trainees and HM Forces.

Largest Private Sector Employers in East Ayrshire

More than 500 employees	Between 250 and 499 employees	Less than 250 employees
ASDA	TELEPERFORMANCE	CALEDONIA BOTTLERS
MORRISONS	WebHelpTSC	HYSPEC ENGINEERING
TESCO	KIER MINING	WABTEC
LAND ENGINEERING	PORTFOLIO RECOVERY ASSOCIATES	INNOVATIVE UTILITIES
	MAHLE	
	ADELIE FOODS LTD	THOUNTOUN ESTATE

Key Business Sites

Strategic sites for business offering quality available employment sites and buildings for development include:

Moorfield North Industrial Estate, Kilmarnock

• 29 hectares of industrial land, close to the A71 and M77. Fully serviced, plots available in phase 1 and 2.

Rowallan Business Park, Kilmarnock

• 27 hectares of business land and property. Adjacent to the M77.

Caponacre Industrial Estate, Cumnock

• Range of industrial and business premises available to rent of buy. Close to A76 with good links to Carlisle and M6 south.

Thistle Business Park, Cumnock

• 9 hectare site, fully developed but containing a number of vacant units. Adjacent to the A76.

Hill Street, Kilmarnock Town Centre

• 8 hectare site beside the new FE college campus, adjacent to Kilmarnock railway station and town centre amenity. Mixed used development permissible.





Town Centres

Town centres are key attractors for both retail and office based businesses which in turn are the catalyst for a chain of local suppliers.

East Ayrshire's town centres have not been immune to the impact of the economic downturn or out of town retail developments in our own area and further afield. That said, vacancies rates are slightly below the national average and we are home to a significant number of small independent retailers.

We have invested in the physical fabric of our town centres, we have made improvements at transport hubs; and we have relocated Council staff into town centres. We have aspirations to further remodel the footprint of our centres.

In Kilmarnock, the development of an integrated Urban Development Plan has created a blueprint for the future of the town. Investment in the built environment has safeguarded the heritage of the town as well as creating additional office space within its core.

Ayrshire College has confirmed relocation plans for its Kilmarnock building and the development of a new £50m campus within the town centre at Hill Street, while other sites within the core will be brought forward for redevelopment.

In Cumnock, we have located more than 200 public sector staff within the town centre and negotiations are currently taking place with developers which will deliver a new improved civic space in the heart of the town centred around the development of new retail units.

Our high streets are important too in townscape and architectural terms and many buildings need physical works to restore their heritage and to bring back into use space above ground floors. The Council has already committed to attracting people back into our town centres by creating appropriate housing options and this space can contribute to achieving this commitment.

Traffic and transportation will play an important part in improving our town centres and their overall feel and vibrancy – to enhance their attractiveness as locations for living.

Engineering works have reconfigured key junctions and introduced two way traffic flow along the length of Glaisnock Street, Cumnock and we have longer term aspirations to change the flow of traffic in Kilmarnock to move away from an environment which is dominated by the car. An independent study of how this could be achieved is currently underway and funded by Strathclyde Partnership for Transport.

Some of our aspirations have stalled due to the economic climate but we remain committed to bringing forward a range of activities and uses to our town centres as the economy improves.

Infrastructure and Business Environment

The completion of the M77 extension and the more recent opening of the extension to the M74 around Glasgow are important milestones for the area.

There are currently two trains an hour through East Ayrshire and further enhancements to the rail network are planned. The East Ayrshire Local Development Plan sets out ambitions to increase services and stations on the Glasgow to Carlisle route through East Ayrshire.

Post-recession, this improved accessibility will encourage investment and development along the M77 corridor.

There is a supply of available land across the area for business growth. The area currently offers 5 main industrial estates and despite investment in some of these, collectively they still require more; a recent independent analysis of business needs versus supply indicates that at present most of our property portfolio does not meet the needs of the modern business investor. There is currently a shortage of 'easy in easy out' office and workshop space; modern office accommodation; and medium to large industrial units to meet demand.

While broadband connectivity is improving and there is much that is positive for our urban areas in relation to investment announcements from the Scottish Government in recent months, hotspot areas exist particularly in our more rural locations. To address these, the Council has approved a broadband strategy for the area and is working with the Scottish Government to determine the impact of Government investment in broadband locally. The Council has also made a commitment of £1.2m to support the delivery of enhanced broadband to 98% of the area by 2016.

Economic Participation

The area's employment profile lags behind its neighbours and is linked to levels of deprivation and inequality within our communities. Economic restructuring over decades has seen some sectors disappear from the area; jobs have not always been replaced in the same location; and some residents have struggled to adapt to a new labour market.

Economic Participation (Nov 2013)

Indicator	East Ayrshire	Scotland
Unemployment rate	11%	8%
Working age population claiming benefit	17%	14%
Working age population claiming incapacity	9%	8%
benefit		

In some of our rural communities these figures are much higher. Similar to national trends our population is aging significantly, bringing implications for our health and social care sectors.

We have groups of vulnerable and disadvantaged adults with low economic activity, particularly those with caring responsibilities, work limiting illnesses or with a disability. We also have a number of young people with higher level qualifications but limited opportunities to access vacancies appropriate to their qualifications who have become under-employed.

The Government's new Welfare Reform Bill and Universal Credits will impact on our communities and the need for a strong employability support partnership will be key to our future prospects. Indeed we are already experiencing additional demand on that service from individuals who are having benefits reduced.

Education and Skills

East Ayrshire's schools have a positive reputation and the area also benefits from the presence of a Further Education College and its proximity to the West of Scotland University Campus in Ayr. We are building an enterprise culture within our schools and are supporting our aspiring entrepreneurs by providing free office facilities; expert advice and guidance and mentoring at the West Coast Hatchery, Ayrshire's new business incubation space. Recent budget announcements support enhanced grant mechanisms to improve assistance for entrepreneurs.

The proportion of East Ayrshire residents educated to degree level remains below the national averages. In 2010, 13.2% of working age people had degree level qualifications, compared to 21.5% across Scotland. We will strive to ensure that all people in East Ayrshire have the opportunity to maximise their educational attainment potential





WHAT WE DELIVER

We are committed to tackling the issues set out previously and we do so in the context of recent national policy updates.

Our strategy also takes cognisance of the national and local partnerships within which we strive to deliver.

NATIONAL AND LOCAL CONTEXT	STRATEGIC CONTEXT FOR ECONOMIC DEVELOPMENT	PRIORITIES
Scottish Government	Scotland's Economic Development Strategy	Learning, skills and well-being;
		Supportive business environment;
		Infrastructure development and place;
		Effective government; and
		Equity.
	Scotland's Regeneration Strategy	Deprivation;
		Low educational attainment; and
		Poor physical environment.
	Scotland's Opportunities for All	A shared responsibility for skills between the individual and the employer; and
		Modern apprenticeships are at the heart of developing skills for growth.
East Ayrshire Community Plan Partnership	Single Outcome Agreement	Promoting Lifelong Learning;
		Delivering Community Regeneration;
		Improving Community Safety; and
		Improving Health and Wellbeing.
		The Community Plan will be reviewed in 2014.

LEAD AUTHORITY	REMIT	PRIORITIES
East Ayrshire Council	Subsequent to the restructuring of Scottish Enterprise in 2008 the Council is the lead authority for local economic development. The Council provides a range of interventions designed to support our business base; to stimulate inward investment and to ensure that local people are equipped to access job opportunities that are created. A key element of this Economic Development Strategy is a Youth Employment Plan devised by the Council and its partners.	 Employability and in particular youth employment; Business support; Tourism; Inward investment and Town centre management.
East Ayrshire Council - Business Gateway	Business Gateway is a Council service, provided by a contractor, and designed to provide support and guidance to anyone wishing to start a business.	Support to business start-ups and smaller growth companies.
PARTNER AGENCIES	REMIT	PRIORITIES
Scottish Enterprise	In 2008, Scottish Enterprise's Local Economic Companies structure was dismantled by the Government, marking an important shift away from national and regional to sub-regional economic development. Scottish Enterprise is now focused on delivery at a national level and through its Business Plan 2013/16 has articulated its support to business to address the Government's Economic Development Strategy.	 Creative industries; Renewables; Life sciences; Food and drink; Engineering; Tourism; and Finance. Financial support and advice and guidance to larger companies with significant growth potential.
Skills Development Scotland	Skills Development Scotland was established by the Scottish Government to deliver the aspirations it set out in its Opportunities for All Strategy; specifically targeting those 16 to 19 year olds not in employment, education or training.	The delivery of National Training Programmes through contractual arrangements with regional and sub-regional organisations: • Modern Apprenticeships; • Employability Funding; • PACE support to redundant workers.

Scottish Development International	A national agency remitted to promote Scotland to potential investors and to export markets.	Inward investment; Growing Scotland's exports.
Further and Higher Education	Further Education has been rationalised by the Government and has moved to a regional model of delivery. This has brought together Kilmarnock, Ayr and James Watt College in Kilwinning as a single Ayrshire College. Higher Education remains a key priority for the Government and is considered to be one of the country's key sectors for growth. Our communities access Higher Education opportunities across the UK and also benefit from having a University of the West of Scotland campus in Ayr, providing local access to a wide range of courses.	 Improved skills and qualifications for unemployed and employed individuals to ensure they move closer to the labour market and can sustainable employment. Ayrshire College has set out ambitious plans to raise aspirations; inspire achievement and increase opportunities. It seeks to play a lead role in the development of skills, the economy and the local community.
Ayrshire Economic Partnership	A private/public partnership providing strategic direction and support to grow the Ayrshire economy.	Food and Drink;Tourism;Renewables; andEngineering.
The Third Sector	To support communities to develop and deliver locally based social and economic regeneration activities which address the problems within some communities and to address any gaps in provision.	 Building capacity within local communities; Supporting the growth and sustainability of social enterprises; Creating additional volunteering opportunities within our communities.
West of Scotland Loan Fund	A consortium of 12 local authorities in the West of Scotland focused on providing loans to new and existing small to medium sized enterprises within the west of Scotland.	Sustainability and growth of new and existing SMEs.
Entrepreneurial Spark	A social enterprise focused on providing free support to budding entrepreneurs to enable them to develop their ideas into viable businesses with the potential to grow and create jobs.	 Mentoring; Sharing of best practice; Start up and growth advice and guidance.

In a regional context, East Ayrshire Council has assumed a lead on the food and drink theme on behalf of the Ayrshire Economic Partnership. The priority sectors are set out in the table below:

SECTOR	LEAD PARTNER
Food and Drink	East Ayrshire Council
Renewables	Scottish Enterprise
Engineering	South Ayrshire Council
Tourism	The Tourism Leadership Group and Ayrshire and Arran Tourism Team, hosted by South Ayrshire Council.

More recently, a private sector led body, Taste Ayrshire, has been created with Council support to drive the Food and Drink agenda forward. Not only does this type of organisation have a key role in the delivery of economic development, its model of public/private sector partnership working with a focus on business to business support is one which we seek to build upon for the wider delivery of this strategy.

At a local level, and to ensure the delivery of the Community Plan vision for East Ayrshire, each of the themes of the Community Plan has a four year plan and targets to deliver local outcomes and to contribute to national outcomes. It is the intention that our economic development strategy and associated action plan will directly link to these local outcomes and will operate within the context and structures of Community Planning.

NATIONAL OUTCOMES	LOCAL OUTCOMES
I. We live in a Scotland that is the most attractive place for doing business	Delivering Community Regeneration
2. We realise our full economic potential with more and better employment opportunities for our people	
3. We are better educated, more skilled and more successful, renowned for our research and innovation	
4. Our young people are successful learners, confident individuals, effective contributors and responsible citizens	Promoting Lifelong Learning
7. We have tackled the significant inequalities in Scottish society	Improving Health and Wellbeing

These local outcomes may change as the result of a review of the workstreams and activities incorporated into the Single Outcome Agreement (SOA) and the actions emerging from this strategy will be subsumed into the changing SOA.

Additionally, the Council has developed its own Transformation Plan and has revisited its priorities in the context of increasing demand for services against a reduction of around 10% in funding. The priorities and key actions for 2012/17 are to:

PRIORITY	ACTIONS
Raise Educational attainment and equip our young people for the world of work.	Raise educational and skills attainment.
	Foster and grow the partnership between local schools and businesses to ensure our young people are work ready.
	Support young people into apprenticeships with the Council and pioneer a new apprenticeship scheme to support local businesses.
Support older people to live independently in the community.	Encourage older people to participate in community life.
	Promote intergenerational work.
	Support more older people to live independently in their own homes.
Promote town centre living.	Build new council houses in and around our town centres and encourage external investment in town centres.
	Work with retailers and local businesses to improve our town centres and villages.
	Build on our investment in town centre regeneration.

Our economic development strategy and our vision for the future takes account of these priorities and reflects the commitment of partners to particular areas of focus.



OUR VISION FOR 2025

In relation to the strategic context and the profile set out above, and to enable East Ayrshire to deliver a comprehensive plan for economic development we will build on existing strengths and opportunities. While our strategy sets out our plans for the short term our vision is for long term change, post-recession.

As demonstrated above and through strong local leadership, East Ayrshire has benefited from investments in key opportunities across the area, aimed at business creation, infrastructure and facility provision, attracting inward investments, wealth and job creation, environmental enhancements, community well-being and civic pride.

The area's local and external connectivity plays a key role in attracting businesses and most recent improvements to the M77 and M74 must be maximised to promote the area as a viable business alternative to our cities.

Working with local authority partner Dumfries and Galloway, the A76 Route Action Plan offers opportunities to improve accessibility to many of our more rural communities and to build our business base and specifically our tourism offer.

Equally important is continued support to Prestwick Airport recognising the potential that regular links to EU destinations offers in terms of business and leisure travellers and a recent announcement by the Scottish Government's commitment to bringing the airport into public ownership will safeguard a significant number of jobs in Ayrshire.

Connectivity will also be enhanced by investment by the Council and the Scottish Government in the delivery of East Ayrshire's broadband strategy which will deliver high speed broadband access to our business locations and to 98% of our area. This work is due to begin in 2014 and be completed by the end of 2016.

Investment in our town centres has begun to re-invigorate our unique heritage and traditional townscapes and has improved the environment for residents and visitors. The role of these centres is important to the area's economic vitality and

they can provide potential for future development and opportunity.

Moreover the flexibility and willingness of East Ayrshire's workforce to adapt to change has had a positive impact in attracting new business to the area and continues to be a key element of discussions with potential inward investors. Our young people are well educated and our communities are resilient and responsive to change.

Investment in the Further Education sector locally and the creation of a new college campus at Hill Street in Kilmarnock will ensure we continue to prepare our residents for job opportunities and the focus on enterprise within our schools will stimulate local business formation and growth.

In Kilmarnock, investment by Scottish Enterprise at Rowallan and by the Council at Moorfield has enhanced our key employment sites and investment by the private sector at Caponacre in Cumnock and at the Thistle Business Park will improve our business and industrial locations further. Good public transport links and private sector housing investment have extended communities in East Ayrshire. The redevelopment of the remainder of the former Diageo site at Hill Street in Kilmarnock will enhance the area's offer further.

We have a portfolio of high profile cultural attractions and a range of outdoor pursuits and events which attracts visitors to the area. Quality of life is an important aspect of economic success and the physical and natural environment across East Ayrshire is of a high standard. The rural hinterland around Dalmellington and the Doon Valley secured UNESCO recognition in July 2012 as a Biosphere and our remote rural areas will be a key asset for creating a leisure economy.

Small and medium sized enterprises (SMEs) are the lifeblood of our economy. Our business start-up levels have been fairly steady, and we have a good level of business engagement and good relationships with those companies.

In recent years, some of our bigger companies have become vulnerable to global influences and their prospects have been difficult to determine. The success of a number of SMEs has improved perceptions of the area and has helped in the promotion of the local areas as a place to do business. We will continue to ensure our business base receive the advice and support required to help them survive and grow.

In summary, our aspirations can be clearly articulated. We want to contribute to the Community Plan vision for East Ayrshire by using economic development to create a vibrant, thriving East Ayrshire:

"A thriving area with a strong local economy delivering higher levels of sustainable growth and employment for the benefit of existing and future residents".

Post-recession and within fifteen years, East Ayrshire will be a stronger, more vibrant and diverse economic growth area. It will be renowned for being open for business to all, driven by private sector led employment and economic growth. It will be recognised as a place that supports innovative and growing companies.

Economic growth is essential in order to support housing growth in the area. The road and rail network will place East Ayrshire at the heart of Scotland's growth agenda with outstanding physical infrastructure and employment sites that provide quality investment opportunities.

East Ayrshire will become a by-word for business, innovation and education. It will be home to some of the best schools in the country and partnerships creating the workforce of the future that meets business needs. Communities, urban and rural, will be more economically active and engaged to share their future.

The traditional heart of our town centres will be re-vitalised as locations for living and working. Townscape and heritage quality will be maximised, making them a destination for people of all ages at all times.

The area will retain its strong leadership and have a confident outlook, proud of its unique and distinctive heritage and known as an excellent place to live and do business.

DELIVERING THE VISION - CONSIDERING THE OPTIONS

In an effort to realise our future aspirations, in 2011, East Ayrshire Council undertook a review of its economic development activities and as a result has established a new service, bringing together teams focused on supporting and enhancing the employability of our residents and those focused on our business base, both within our town centres and across our area.

This approach reflects the options available to the public sector and its partners in relation to how it delivers change, addresses the levels of deprivation which persist in East Ayrshire and how it stems an over dependency on public services which continues to put pressure on the public purse.

(i) Our Approach

We will pursue a strong, shared vision and a plan that will deliver tangible change, make a real difference to East Ayrshire's economy and bring a series of improvements that are needed and valued locally.

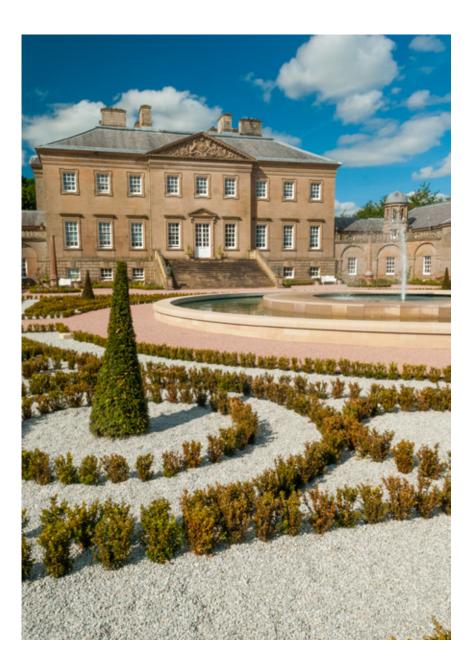
Ours is a planned and a selective approach to intervention to meet the identified challenges. A smart growth approach to driving economic and employment growth is proposed which:

- Is focused around private sector led employment growth;
- Promotes and builds on the success and strengths of East Ayrshire and its character and heritage;
- Seeks to address the headline evidenced economic issues; and
- Takes guidance from current Government policy, alongside lessons learned and best practice from other areas.

OUR STRATEGIC PRIORITIES

To deliver the aspirations set out above, we must make the following our Economic Development priorities:

- To integrate East Ayrshire with the regional economy
- To facilitate economic restructuring
- To improve the vibrancy of our town centres
- To improve the quality of the tourism on offer
- To increase economic participation in our communities
- To accelerate the pace of infrastructure improvements





STRATEGIC PRIORITIES AND KEY ACTIONS

PRIORITY I: TO INTEGRATE EAST AYRSHIRE WITH THE REGIONAL ECONOMY

Rationale: East Ayrshire has in the recent years received a number of inward investment enquiries and we want to grow that number and translate more of them into relocations and employment growth. We want to articulate the message that we are open for business. We want to create and communicate a positive message about our assets. We want to demonstrate that the public sector can assemble a comprehensive package of support for investors and market the accessibility of external funding and regional aid.

The message from local businesses is strong and is one that needs to be broadcast – "being located in East Ayrshire offers access to a substantial pool of skilled workers. Our location and access to fast and reliable transport, allows us to export our products to customers across the UK and mainland Europe on a daily basis" (Braehead Foods Ltd, 2010)

Scottish Enterprise, SDI and East Ayrshire Council have commissioned work on a new Marketing and Communications Strategy for the area, taking cognisance of the fact that the area has considerable assets which combined make a compelling story for investment and this message needs to be articulated to a wider audience.

The M77 corridor is now a highly attractive business location, which can continue to be complemented by new quality housing areas, business and education establishments. Our more rural areas have equally high quality environments.

The area has considerable potential for market development. It has several visitor attractions, cultural programmes and boasts a spectacular rural environment.

The area is well positioned to exploit a proximity to the wider Glasgow City Region; it is accessible by road, rail, sea and air and can confer the advantages business desire at a competitive cost but its strengths, its assets and its opportunities remain largely unknown to many making investment choices.

The area will benefit from brand development and clarity of its 'offer' to promote and make the area an attractive place to live, work and visit.

As a partnership, we need to:

- Complete a new marketing and communications strategy for the area.
- Develop a unique brand identity for East Ayrshire.
- Develop and promote East Ayrshire as an area whose towns combine a strong range of national and independent retailers.
- Promote East Ayrshire as a great place to live and work.
- Improve access and facilities; invest in place making along transport corridors and at high profile development locations.
- Communicate achievements and opportunities to audiences outside the area in order to stimulate wider investment.
- Provide assurance that East Ayrshire is 'open for business' with a co-ordinated offer in terms of location, skilled workforce, supply chains and knowledge base.

Key measures of success

Outcomes	Baseline at 2010	Current position	2017	2025
Amount of private sector investment attracted into the area through RSA/Business Grants	£1,385,400	£750,000	£3,000,000	£5,000,000
Increased number of inward investment enquiries each year	5	8	20	25

PRIORITY 2: TO FACILITATE ECONOMIC RESTRUCTURING

Rationale: East Ayrshire provides a broad range of support mechanisms to businesses within the area; recognising the value of the indigenous business base and its potential to grow. We are building a strong network of businesses; devising innovative approaches to providing support and we want to strengthen this offer. We also want to create a more diverse and resilient business base to counter job losses and lessen dependence on one sector or one employer. Complementary to this agenda is our need to increase business start-up rates and deliver a change of focus from high volume start-ups to those with growth and wealth creation potential; a focus which is key to addressing the area's unemployment and household income levels.

"what a great day it was when you walked into the office and linked us up with all the good things that East Ayrshire are doing to support business"

One business' perspective of business support in East Ayrshire (Karitek Ltd, 2012)

Investing in the right economic sector is vital to our future economic prospects. Public sector partners work with a significant number of businesses across the area and across sectors which have ambitions and plans to grow. To augment this provision Scottish Enterprise and the Council have recently completed a mapping exercise designed to more clearly understand the local business base and to target sectors where growth potential exists. That work will underpin the delivery of this priority. In the engineering sector alone, the Council is currently supporting more than 10 businesses with plans to expand and create new jobs and we continually design packages of support that are relevant to sectoral needs.

To understand the interventions necessary to support future growth, sectors are grouped into 3 types and reflect the Government's priorities and equally importantly the business base locally, taking account of the significance of the care sector and public services in our more rural areas:

Existing sectors – already have a strong presence locally and provide significant employment. Whilst they may be in decline or subject to rationalisation, they are still critical to EA's economic future. The emphasis will be employment, skills and diversification. These sectors are **engineering**, **construction**, **textiles** and the service sector including personal care.

Priority growth sectors – already represented within the EA economy, or have the potential to deliver future growth and change perceptions of the area. The emphasis in supporting these sectors will be to secure growth, productivity and innovation. Sectors in this category include *food and drink, renewables and software development*.

Place making sectors – expected to grow in line with population and economic evolution of the area. An improvement in these sectors will lead to an uplift in the quality of the area as a destination. The emphasis will be on quality and differentiation. These sectors include *tourism*, *leisure and culture*.

Through the Ayrshire Economic Partnership, strategies are being developed to support Ayrshire's growth sectors and support will be provided to grow the business base of each of these and to promote innovation and technological advances.

Businesses are more likely to survive after three years if they have access to good business advice. We also know that young businesses are still finding it difficult to access proper finance. The Council has committed additional resource to support this agenda with a specific allocation for young entrepreneurs with start-up ambitions.

As a partnership, we need to:

- Build closer partnerships between private sector and other organisations across the economic area to support investment and tackle barriers to growth.
- Consolidate and build East Ayrshire's competitive position in growing sectors.
- Ensure a package of incentives, business support and advice is available locally to new and existing business to increase survivability, enable growth and secure reinvestment in the local economy.
- Support rural diversification and spread the benefits of investment across our communities.
- Encourage local businesses to work together and trade between each other and outwith the area to strengthen supply chains and consolidate commercial roots in the area.
- Nurture and promote enterprise and entrepreneurship across the area and through education, Business Gateway and the Third Sector.
- Build on wider developments such as the Council's pursuit of asset transfer and more generic agendas of public service reform to support social enterprise.
- Encourage and support business to create long term employment opportunities.
- Work with Education partners to ensure that the correct skills are available locally to support business growth.
- Provide routes to sources of finance that are essential to enable business growth, including venture investment, cash-flow facilities, investment and R&D grants.
- Exploit capital investment activities to the benefit of local businesses by embedding community benefits clauses in procurement procedures.

Key measures of success

Outcome	Baseline in 2010	Current position	2017	2025
Increase new business starts expressed as a rate per 10,000 population	26	29	30	33
Increase business survival rates after year 3 ¹	65%	67%	68%	70%
Increase gross weekly earnings ²	£457	£494	£510	£520

Business demography dataset, 2010 ² ONS Annual Survey of Hours and Earnings

PRIORITY 3: TO IMPROVE THE VIBRANCY OF OUR TOWN CENTRES

Rationale: The evolving role and function of town centres across Scotland as places to work, live and visit presents significant opportunities for East Ayrshire. These centres provide an essential focus for local communities and while much resource has been invested in the physical fabric of our towns we want to ensure that we maximise the benefits accrued from that investment. Increasing our business base presents the need for infrastructure and accommodation to meet the business needs and our town centres and the vacant premises within them provide us with an opportunity to create that property offer. In parallel, an increased commitment to town centre living will create demand for both a vibrant night time economy and more convenience shopping.

"For me any town centre should be the beating heart of a community and we all have a role to play in developing our town centres."

One business' perspective of business support in East Ayrshire (Karitek Ltd, 2012)

Regeneration of our town centres is a key priority and this requires major investment in key locations; main streets, transport hubs and public open space. The retail offer needs to be improved and footfall must be increased by looking at a variety of uses coexisting in our town centres.

Where there are opportunities to create office accommodation and residential units within our town centres these should be considered, particularly given that we are currently unable to fulfil property enquiries for modern office accommodation.

Our town centres must build on their distinctiveness and embrace the changing role of town centres particularly as a place to live. Getting to and from the town centres must be simple and create a positive impression.

Town centre living will be important in changing the dynamics of our town centres and creating more lively, vibrant community hubs with a 24 hour role. The Council's Transformation Plan identifies Kilmarnock and Cumnock as the principal town centre hubs within East Ayrshire.

The development of key projects within the Integrated Urban Development Plan, currently in place for Kilmarnock, will include an examination of the potential to improve access to the river and to embrace this natural asset as a core destination within the town centre.

In addition to office sites in Kilmarnock Town Centre, Cumnock has secured investment in office developments as part of the Council's plans to regenerate Cumnock. The Council has agreed to demolish the existing shopping centre in Cumnock and to create new retail space and there also is scope to build on investment at the Town Hall to further improve Cumnock's facilities. These will be integral to ensuring the continued development of Cumnock as a key hub and indeed a business location within East Ayrshire.

As a partnership, we need to:

- Continue to build on the strengths of our town centres townscape, heritage and setting.
- Create a distinctive and improved retail experience not competing but complementing neighbouring areas.
- Introduce more mixed uses in the town centre, particularly housing and offices.
- Redevelop to optimise key sites within our town centres.
- Provide enhanced leisure offers alongside improved transport interchanges.
- Improve traffic management to reduce congestion and tackle poor air quality, promote alternative transport options and improve car park provision.
- Welcome visitors and shoppers to our towns.
- Support the private sector to grow and relocate in our town centres.
- Develop a calendar of events to increase footfall in our town centres.
- Create safe and secure town centres.
- Continue to promote our towns to resident communities both within and outwith East Ayrshire

Key measures of success

Outcome	Baseline at 2010	Current position	2017	2025
Reduce town centre vacancy rates ³	Kilmarnock - 25%	Kilmarnock – 21%	20%	15%
	Cumnock – 17%	Cumnock – 26%	12%	9%
Secure private sector investment to deliver the IUDP in Kilmarnock	£0	£0	£5M	£15M
Attract more people to live in our town centres ⁴	Kilmarnock - 5,569	5,708	6,126	6,500
	Cumnock - 3,810	3,905	4,191	4,300

 $^{^3}$ This reflects the targets within the Council's Strategy Priority - Promote Town Centre Living

⁴ As above

PRIORITY 4: TO IMPROVE THE QUALITY OF THE TOURISM OFFER

Rationale: East Ayrshire has an existing tourism product comprising history and heritage, cultural venues and visitor attractions and the natural environment providing opportunities for a range of outdoor activities and recreation. The sector is already key in East Ayrshire and has been able to demonstrate growth and job creation in recent years. While the current economic climate, increasing competition from domestic and international destinations and decreasing tourism revenue is providing a considerable challenge locally, analysis of the product confirms that there is considerable potential for further growth.

"As well as attracting tourists - creative and cultural activity helps to support and shape our communities. Dumfries House is beginning to establish itself on the tourist map and new events are springing up locally too."

The Telegraph (2010)

Tourism is an important sector in East Ayrshire, not just in terms of the tourism businesses operating within the area but the range of products that exist locally. More effectively combining the many events, services, experiences and businesses related to tourism in East Ayrshire has the potential to deliver the strong single experience which the discerning tourist seeks.

For many, Ayrshire is synonymous with tourism and family holidays and there is an opportunity to build on significant visitor numbers each year and to strengthen the tourism offer. Reflecting this, a pan-Ayrshire Strategy has been developed and a single team has been appointed to deliver against this strategy. A number of key projects are underway across the area, many led by that team with our support and these will contribute to the headline targets of the Ayrshire strategy.

This does not negate East Ayrshire's responsibility to support its tourism sector at a local level and we will do so by working with and through the new pan Ayrshire team as well as by building and strengthening the infrastructure and support required to ensure that our tourism product and can exploit the opportunities created by the team and the wider delivery of the Strategy.

We will participate fully in the pan Ayrshire efforts and seek to contribute to them.

As a partnership, we need to:

- Improve the sustainability of local events by working in partnership with our local communities.
- Provide high quality public realm and investment in infrastructure.
- Work with the private sector to continually challenge and improve the standards our tourism industry offers its customers.
- Work with local partners and the Scottish Government to support the development of Prestwick Airport as a key hub for tourists.
- Acknowledge and promote tourism as a key component of our economic development.
- Improve East Ayrshire tourism product.
- Work closely with the Ayrshire and Arran Tourism Team to ensure East Ayrshire is an integral part of all plans and benefits from emerging opportunities within the sector.

Key measures of success

Outcome	Baseline at 2010	Current position	2017	2025
Increase total number of employees in the tourism sector ⁵	1,488	1,535	1,580	1,850
Increase amount of visitor spend in the area ⁶	£65m	£73m	£75m	£80m
Increase the number of visitors to the area ⁷	917,000	1,048,300	1,200,000	1,350,000

⁵ STEAM Report - Trend Analysis of Tourism Sector in East Ayrshire

⁶ STEAM Reporting

⁷ STEAM Reporting

PRIORITY 5: TO INCREASE ECONOMIC PARTICIPATION IN OUR COMMUNITIES

Rationale: Unemployment datasets prior to 2008 demonstrated that the gap between unemployment in East Ayrshire and in Scotland was narrowing. This suggests that many of our existing programmes of support have been valuable tools in our efforts to stem unemployment increases and we want to intensify these efforts as well as ensuring that additional job opportunities are created, recognising that unemployment has been rising again. Our employability efforts will be maximised by providing support to address a range of barriers to economic participation faced by residents. Support will target all age groups.

A particular focus will remain on our school leavers who are at disproportionate risk from any reduction in employment opportunities. Within education, efforts and available resources will be directed at providing sustained destinations for our young people by strengthening the links between education and learning, and employability.

"We've been helped to overcome human resource challenges to ensure the potential of our business is reached."

Lochaven International Ltd., 2010

Reflecting the recommendations of the independent Economic Impact Assessment into opencast mining closures, this priority covers interventions with individuals (for example long term unemployed), specific target groups of individuals (for example women returners or younger workers), and specific communities or community groups.

Our objective must be to ensure that the skills and employability activity is responsive to the needs of employers; coherent; based on economic intelligence; and develops skills needed for our higher value and our growth sectors. These will include engineering, tourism, food and drink, textiles, care and professional services.

It is envisaged that our efforts will meet the needs of three main groups:

• young people leaving full time education • the employed workforce • adults seeking to enter the workforce.

Further education will be at the heart of future growth and through East Ayrshire's Employability Network, business and education partners will develop high level skills strategies to underpin growth.

More job opportunities at a variety of levels are critical; however market failure and barriers to economic participation prevent some residents who require additional support from taking advantage of opportunities.

Developing the social economy will play a key role in empowering individuals and their communities to tackle economic participation, particularly in the most deprived areas.

As a partnership, we need to:

- Facilitate closer partnerships and understanding between the private sector and support providers to increase economic participation and promote demand led skills development.
- Increase skills investment in growth sectors reinforcing their growth potential.
- Connect those most in need to jobs and support businesses to create additional jobs and apprenticeships.
- Improve the employability of school leavers; ensuring that our residents value and understand the link between learning, work experience and work.
- Develop community based approaches to reduce and remove barriers to employability.
- Work with education partners and employers to enhance provision, accessibility and take up of learning opportunities for existing and potential members of the workforce.
- Create more opportunities for residents to move out of under-employment.
- Work with business leaders to build an enterprise culture within our schools.
- Promote self-employment and business start-ups as a sustainable alternative to employment.
- Exploit capital investment activities to the benefit of local people by embedding community benefits clauses in procurement procedures.

Key measures of success

Outcomes	Baseline at 2010	Current position	2017	2025
Reduce number of claimants in receipt of out of work benefits ⁸	22%	21%	20%	17%
Increase number of jobs available locally ⁹	46,000	47,000	48,000	50,000
Reduce levels of unemployment amongst our young people 10	12%	10%	9%	8%
Percentage of economically active working age persons with degree/professional qualifications 11	13%	13%	16%	18%
Percentage of school leavers entering further/higher education after school ¹²	65%	69%	72%	74%

⁸ NOMIS

Business Register and Employment Survey (BRES)

¹⁰ NOMIS

¹¹ NOMIS

¹² Skills Development Scotland Positive Destinations Report

PRIORITY 6: ACCELERATE THE PACE OF INFRASTRUCTURE IMPROVEMENTS

Rationale: East Ayrshire's Development Plan identifies sites for new business and new jobs across the area. To support this, investment has been made in sites in terms of decontamination, access and utilities. A recent survey of our land and property offer in East Ayrshire has identified that more needs to be done. We want to continue to invest in our industrial and business property stock at strategic industrial/business sites at Kilmarnock North (Mosside), Rowallan and Moorfield and at Caponacre and the Thistle Business Park in Cumnock to ensure that our proposition to potential investors is strengthened by an attractive range of land and property options underpinned by easy access and good connectivity.

From independent research completed in 2012 we know that our supply of land and property does not fully match the demands of modern business and to ensure a competitive edge as we emerge from recession and zero growth we need to capitalise on economic opportunities within our core investment areas and particularly those arising from the M77 extension.

Jobs are key and providing the space and accommodation to support our indigenous business base and to attract new investment is essential.

Traffic congestion and sustainable transport are also important issues for our economy which will require capital investment.

Openreach and the Scottish Government have confirmed investment in 'Fibre to the Cabinet' Next Generation broadband to some parts of East Ayrshire, but support will be required to deliver a universal service across our area. The Council has committed £1.2m to supporting enhanced broadband access to 98% of the area.

As a partnership, we need to:

- Assemble sites for development at Moorfield, Rowallan and Caponacre.
- Ensure that development is aligned to business needs.
- Promote and support provision of a range of modern business sites and premises within East Ayrshire.
- Remove physical constraints to the development of priority sites.
- Ensure a minimum level of next generation superfast broadband area wide for inclusion in a modern knowledge economy.
- Modernise outdated features of existing commercial estates.
- Ensure the sustainability of our new and existing sites and premises.

Key measures of success

Outcome	Baseline at 2010	Current position	2017	2025
Increase the amount of available industrial/business space	74 hectares	74 hectares	79 hectares	85 hectares
Increase the number of companies accessing RSA support for large investment	3	1	5	7
Reduce the overall proportion of vacant and derelict land	3%	3%	2%	2%
Increase high speed broadband coverage across the area	61%	61%	98%	100%

PRINCIPLES OF DELIVERY

IMPLEMENTING CHANGE

Whilst our strategy will provide a new momentum within East Ayrshire it cannot address all of the potential opportunities across the area. To be successful it needs to:

- Identify those opportunities that will contribute most to achieving its objectives;
- Maximise the value its resources can add to the area by encouraging and complementing investment by others;
- Build on previous achievements, to generate a critical mass of economic development; and
- Demonstrate through supporting early and successful economic development, the viability and sustainability of the area as a location for private sector investors.

The options appraisal process associated with our action plan will help us identify a series of projects, which at the time of drafting, will allow us to deliver most against our priorities given the level of resource available to us.

OPFRATING PRINCIPLES

To ensure the needs and lifestyle aspirations of all communities are considered as part of our programme of economic development, the following cross cutting themes will influence activities within each of our priorities:

Outcomes based

The action plan will direct available resources towards agreed key outcomes contained within the Community Plan and SOA. No activities will be included which do not contribute significantly to the strategic priorities of the Community Plan.



Services built around People and Communities

Economic Development is not a statutory function of the Council, however the rationale for delivery is strong and its objective is to build resilient communities which are less dependent on public sector support. The activities this strategy seeks to implement will be delivered with, rather than for, our resident and business communities.

Preventative spend and early intervention

The principle of economic development support is to encourage business growth and job creation; improving opportunities for local people to access the labour market and to be less dependent on public sector support and a benefits culture.

Equality

Economic development activities will seek to meet the needs of all our communities, including minority ethnic groups, faith groups, people with a disability, women, young and older people and emerging communities, all of whom will be involved and consulted in the design and delivery of specific projects. Our commitment to equality in our strategy will enable all members of our communities to fulfil their potential.

Sustainability

In delivering economic development, all agencies shall endeavour to use locally sourced products and labour, build to high environmental standards, encourage green transport plans, improve industrial and domestic energy efficiency and promote renewable energy, re-use and recycling.

Alternative delivery models

The delivery of action plans associated with this strategy will be underpinned by strong partnerships across sectors locally. We will seek to ensure that we strip out duplication of effort and maximise the benefits of our available resources to our communities by working together on our shared aspirations.

Engagement

East Ayrshire Council and its partners will focus on providing strong engagement and leadership within communities, businesses and the local authority to act as ambassadors for the area and to drive forward economic development.

Our strategy sets out the priorities that need to be addressed to contribute to achieving a sustainable strong economy beyond 2025, fostering the conditions for growth and capturing the benefits for local people and businesses.



