

REGIONAL ECONOMIC STRATEGY DEVELOPMENT PROGRESS UPDATE

Purpose:

To update the wider Partnership on the work underway, and process being followed, to develop the RES ahead of the Partnership's next meeting on 8 June.

Post REP Meeting (16 April) Write Up:

 Note of the key points from the REP breakout groups on 16 April produced and passed across to RSM to ensure that the REP's views inform and shape the development of the strategy, complementing the desk-based analysis and engagement activity. (Attached at ANNEX A)

Process for Developing the Strategy:

- RSM are now focussed on developing the detail of the strategy document, moving the work beyond the strategic framework and summary outline material that has currently been shared
- Draft content will be shared in a phased manner in real time, up until the point a full draft report is in place
- Officers from the two Councils and SOSE, drawing in those from other organisations as required, will be working closely with RSM as chapters of the report are written
- The Reference Group will have the opportunity to consider and comment on draft material as it emerges (in a phased manner) helping to ensure the report that is presented to the REP on 8 June is properly grounded in the South of Scotland and delivers what is required

REP Reference Group Meeting (23 April):

- Met on 23 April and primarily focussed on language, to help develop a common understanding
 of the sort of language which will resonate and ensure that strategy felt of the South.
- A note of key points is attached at ANNEX B. Headline points include:
 - there is a need to use language that appealed to the emotional connection that people had with SOS – vibrant, thriving, prosperous...
 - o that we should be aiming for the strategy to be a 'South' as opposed to 'North' star
 - o the importance of place and a need for this to come through really strongly
 - thought was given to how the themes were structured and intertwined with a consensus that more work needs to be done on articulating low carbon and natural capital
 - o removing regional hallmarks following a consensus that the concept didn't work and the difficulties in concisely defining the South's distinctive traits via such an approach;

 As an alternative to regional hallmarks, the group suggested that there were, and we should seek to articulate, key cross cutting themes or values that should run across the themes.

Forthcoming REP Reference Group Meeting (7 May):

- The Group's next meeting will focus on reviewing draft content received from RSM, which will cover the following chapters:
 - CHAPTER 1 INTRODUCTION covering: background to the new arrangements and new regional dynamic, scope and purpose, new strategic emphasis, strategic connections, approach to the development of the RES
 - CHAPTER 2 KEY DRIVERS AND CONTEXT covering: policy context, key socioeconomic issues, trends impacting on SOS, including CV-19 and Brexit

Future Updates:

• A further update will be provided to the Partnership the week commencing 10 May, following the Reference Group's 7 May meeting.

ANNEX A - FEEDBACK AND REFLECTIONS FROM REP (16 APRIL) GROUP BREAKOUT SESSIONS

Many similar themes and phrases emerged from the sessions as follows:

- Regional Hallmarks important that they reflect the region rather than being too generic
 (inclusive felt that it could be anywhere) language important with more needed to be made
 of the back story
- Language we need to really simplify the language it must resonate with the people of the south, avoiding jargon and straight talking. We need to ensure we can 'recognise who we are' from it.
- Framework generally feeling that this set out the right range of themes with the
 opportunity now to ensure that they were made more reflective of SOS, drawing out the
 importance of place and expressing what makes the region unique;
- **Cultural capital** should figure strongly as distinctive to the South of Scotland, identity created by our heritage and culture both physical assets (castles, abbeys, roman roads etc) as well as the more intangible poets, writers and artists;
- Natural capital need to ensure that this is recognised to be more than generation of energy natural capital creates the landscapes that people want to come and visit, supports our agriculture and food production and our forestry broaden out to take into account land management, contribution it makes to the circulate economy, potential of our peatlands;
- **Fair work** important part of approach in SOS, but we need to recognise how much work will be needed to help people understand, engage and deliver the concept;
- Breadth of strategy want to ensure that the strategy reflects the breadth of our ambition, currently felt rather too "economic" and not taking into account the wider context e.g. the health of the population;
- **Evidence base** want to ensure that the evidence base is properly set out not just economic data need to find a way to demonstrate the depth of the evidence base that informed the strategy;
- Children/Young People want to see children figure more strongly not simply as workforce/adult in waiting – recognise importance of education and quality of life;
- Recognise challenge of creating a strategy for the SOS as a large, diverse geography with different perspectives across the region we need to think what it means for businesses but also the people of the South
- Some sectors are strategically vital to SOS including agriculture and dairy in D&G where we have a national/international reputation and need to reflect how that is captured in the strategy as this is important to the place and need to ensure that sectors are not lost;
- **Identity** SOS a border region with England and with Northern Ireland and strategy needs to reflect that location and the opportunities that come from our locational advantage;
- Keen to see focus drawn out to tackle low wage economy and increase number and turnover of social enterprise;
- **Economic opportunities** through East to West links within region question about whether there were more economic opportunities that improved connections between East and West

- could deliver generally feeling that this was unlikely and not the best focus with greater opportunities to trade out with region and to attract inward investment;
- Actions recognise that the actions will focus on the detail with some members very focused on these as they demonstrated how the strategic framework could be delivered and wanted to see organisations tasked with responsibility for delivering actions – priorities needed to remain strategic – established strong structure for engagement and continued collaboration around the "big" table important.
- **Vision** needs to be really short and snappy something people can remember and easily recall. We should write the vision after the strategy is written as that will give us the ability to crystallise what we need to communicate.
- Leadership No mention of leadership or leading anywhere what will the South lead on and where will it stand out from the rest of Scotland
- **Evolution** recognised that much of the 'heavy lifting' in evolving the strategy will fall to the Reference Group but if more time is needed to achieve an effective outcome then that time should be taken.
- **Outward looking** it needs to look beyond SOS, what is our role in the national, UK and even global economy we need to unleash the potential of the region and punch above our weight
- **Communities** we are a region of communities. From an outside perspective looking in, the SOS is a region that cares. Community led initiatives are higher than elsewhere and public agencies are coming around those communities and not the reverse
- Post-Covid big opportunity post the pandemic to bring new people into the region, attracted by the quality of life and increased ability to work remotely.

ANNEX B - SOS REGIONAL ECONOMIC STRATEGY – REFERENCE GROUP (23 April) REFLECTIONS

OVERVIEW

Clear confidence in process – focus now on capturing work and insight in language that resonated with the South – wanted language to reflect emotional commitment to the South (vibrant, prosperous, thriving), that the themes needed to flow into each other – and there was a need to reflect further on the grouping of the themes (merge, separate, clarify). Not supportive of regional hallmarks – look instead at cross cutting themes.

GENERAL

Recognise and welcome depth of work and thinking that had been distilled into the overview and the summary information that was being presented was not able to give sight to that — crucial now to move from that general into the detail — ensuring it was of the South, with language that resonated and sounded like us — eg talking about a "south star".

Need to ensure that the strategy sets the right level of challenges – which may be uncomfortable –may need to be braver and understand implications and that not everyone would find things in the strategy easy eg action to address population decline will mean not only to retain people but to attract new people and not all communities would be comfortable with the implications of that.

DRAWING OUT THE RIGHT THEMES

Regional Hallmarks – want to move away from these – group talked around these for a while with the conclusion that they weren't a helpful construct and reference group agreed they should not feature – preferred to think about some core values or more themes that cut across the strategy – discussion around horizontal and vertical themes and group preferred that way of thinking.

Key areas for greater focus – really wanted to ensure there was much more of a focus on place – place shapes the distinctiveness of the South – they are where we live and work – so needs to be front and centre – suggestions around the "place to pause", the "place to grow" and the "place to breathe" – this came back to our previous "relentless focus on place" over the past two years that informed the establishment of SOSE. Narrative needs to talk about why places are distinct and important. Need to draw more on people and communities – distinctive places with thriving people. Places and communities are what shapes our lives.

Themes – generally the themes covered the right areas, but language needed to draw out more of the emotional commitment to the South - as well as a need to look at overlap between the themes and a question about how some should be merged or separated and how the priorities were grouped – eg look at whether needed 6 themes or whether they could be cut in a different way - concerned that the low carbon theme not yet right – the inclusion within for example of priorities around natural capital and circular economy go far and beyond simply the carbon reduction agenda.

Narrative Flow – important that the themes flowed into each other – they are interconnected and intertwined – need to tell the story of the South and should not be seen in isolation

Language – discussed at REP had demonstrated the emotional connection with the strategy that needed to come through in the language – looking at more emotive language – vibrant, prosperous, thriving.

Vision – capture the SOS we wanted to see in 10 years' time – including focus on young people

THEMES

Theme 1 – thriving and distinct places

Thriving – support the idea of thriving but need to draw out more than traditional economic focus – bring in well being and all the areas that contribute – health, housing, transport, engagement – need to recognise that people in the south like living in the South and have made a choice to be here - this theme needs to reflect communities and people in the descriptor – suggest language along the lines of "thriving communities and distinct places" "distinctive places with thriving communities"

Theme 2 – Fair and Productive Work

Needs to use words that will resonate with people – needs to recognise value of work across sectors – with balance that we want to tackle the impact of our low wage economy – good job that people enjoy working in a good place enjoying a good life. Need to make more of themes of community wealth building in one of the themes – more relevant here – healthy and thriving local economies – reflect social enterprise and volunteering and contribution that makes to the quality of people's lives. Section should reflect job satisfaction. Work to build local supply chains mention here. Suggest language like "Creating good jobs" "Creating prosperous lives"

Theme 3 – Skilled and Talented People

Discussion about whether this combined with theme 2 but need to ensure there was a way to focus in the strategy on skills / FE/HE activity and contribution that sector need to make to success of region. Need to draw out more about ambition and aspiration - about realising potential and unleashing ambition – that might fit with theme 6. Again need to recognise people's satisfaction with their work and the potential they have – need to strengthen focus on addressing population decline which is a significant area of activity – again recognising what makes people happy.

Theme 4 – Cultured and Creative

Creativity important and could be a cross cutting theme – people make their living out of being creative but are also creative in the way they work . Remove "cultured" as that comes with particular assumption and feels exclusive but recognise the importance of culture – cultural and sporting activities that shape our identity – across all our communities – want to make more of built cultural heritage, painting and literature – want to draw out our cultural vibrancy. Shapes many of our communities – border area and that has created us. It is what makes our places – so link with theme 1 – creates why we want to be here and like being here.

Theme 5 - Low Carbon Economy

Concern that we haven't quite got this one right. Natural capital needs to be seen as more than something that generates renewable energy. Its central to what the South is – our landscape, our industries, why people visit us and central to what we will be. We need to make more of the impact that meeting climate change targets will have on people. Need a phrase that means more to people and suggests that journey that we are on – "journey to net zero" and have a separate theme that focuses on our natural capital – it's why people come and live and work here. Make more of land use.

Theme 6 - Bold and Enterprising

This needs to include ambitious and enterprising nature of people – could be incorporated into other themes rather than being seen as separate – circular economy would be an example of this – currently reads like a business support offer (the Business Gateway catalogue) – rather than ecosystems – eg the glue that holds us together

Areas missing – make more of community wealth building, make more of supporting people into work (employability activity)