

Fife Economic Strategy 2013 - 2023



Growing a vibrant Fife economy

A joint strategy for Fife Council and the Fife Economy Partnership



Fife Economy Partnership

GROWING FIFE'S FUTURE



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Foreword

This Economic Strategy sets out the ambitions Fife Council and the Fife Economy Partnership share for the Fife economy in 2013 and how they will be delivered. It outlines how we intend to work to transform current challenges into opportunities for all. We want to create an environment for economic growth that supports businesses in Fife with growth potential, regardless of size or sector.

We believe that in the context of slow economic growth and higher levels of unemployment, Fife is more likely to enhance the performance of its local economy by aligning its employability and economic development agendas and focusing on the development of a skilled, educated and creative workforce. Although Fife's overall unemployment rate is close to the Scottish average, this masks inequalities at a settlement and neighbourhood level.

Today the Fife economy is slowly recovering from the global financial crisis of 2007-08. Although public sector budgets and jobs are shrinking, Fife has the capability to make a significant contribution to the ambitions of the Government Economic Strategy and to contribute more strongly to adjacent city region economies.

Fife has world class engineering projects underway and many innovative projects in the Energy Sector. BiFab and Babcock International recently won major contracts to support the development of oil fields west of Shetland. Samsung Heavy Industries is to develop its prototype 7.0 MW wind turbine at the Energy Park, Fife. Fife must capitalise on these successes to boost its external reputation as the best place to start and grow a business and attract further investment.

Both the context and challenge for Fife for the foreseeable future is one of change. This creates a complex, highly inter-dependent set of challenges and risks that no single

organisation or partnership can tackle alone. Looking ahead, collaboration and cooperation are vital to best respond to these challenges. We trust that all of Fife's businesses, employability and economic development providers will be inspired to play their part in delivering the ambitions of this strategy.

The next decade is about finding new sources of growth – new skills, new markets, new ways of reaching customers, new products and services whilst recognising that Fife's people are its greatest economic asset and the source of its ambition, innovation and enterprise.

Alex Rowley
Leader, Fife Council

Chris Parr
Chair, Fife Economy Partnership

Executive Summary

The Fife Economic Strategy seeks to aid Fife's recovery from the global financial crisis; help tackle the barriers to employment for its residents; and position Fife's businesses to take advantage of emerging economic opportunities.

Our Ten-Year Vision

Our vision is for a vibrant local economy in Fife through sustainable economic growth - where Fife's business environment inspires residents and businesses to create private sector job opportunities, making Fife the best place to start and grow a business.

Policy and Economic Context

Fife is the third largest region in Scotland by population being home to 364,000 people. It makes a significant contribution to the Scottish economy with an annual business turnover of £10,312m that supports around 9,000 businesses and almost 163,000 jobs.

Key messages from national policy include:-

- Fife needs to develop a more enterprising and innovative economy;
- Cities and their regions are drivers of economic growth.

There are lots of small businesses in Fife - more than 90% of businesses employ fewer than 50 people. Although there are a smaller number of larger businesses, they account for almost two thirds of Fife's business turnover. In the last decade, Fife has not been immune from the global financial crisis and its economic trends mirror the UK's and Scotland's.

Fife faces significant economic and social challenges to recover from the global financial crisis and return to growth. These challenges include economic and employment growth across our key sectors to remove reliance on public sector employment. More businesses and an increase in self employment are required in order to match Scottish averages.

Delivering the Fife Economic Strategy

Three strategic outcomes address the challenges and opportunities:

- People – a skilled workforce for the future including tackling barriers to employability;
- A competitive business location – a modern business infrastructure; and
- Business growth – more dynamic businesses.

These outcomes provide clear direction for action planning to deliver this strategy.

Measuring Progress

The measurement framework identified three ways to monitor the success of this strategy:-

- contextual outcomes;
- business feedback; and
- the outputs of our activities - jobs created or safeguarded, people moved into work or training and investment.

Introduction

Background

The Fife Economic Strategy provides the framework for action in pursuit of a ten year vision for the region's economy. It builds upon, but is more ambitious than, its predecessor strategies. This Economic Strategy seeks to aid Fife's recovery from the global financial crisis, help tackle the barriers to employment for some of its residents and position Fife's businesses to take advantage of potential economic opportunities.

It brings together the economic intelligence on Fife's economy, business leadership and understanding, and public sector ambitions to develop a shared vision of the economy for Fife in 2023 and sets out how this might be achieved.

Developing the Economic Strategy

The Fife Economy Partnership and Fife Council developed this Economic Strategy so that it is ambitious yet realistic given the economic and social challenges faced by Fife with the goal of growing a vibrant Fife economy. A wide ranging consultation with businesses was carried out to develop this strategy. This consultation will continue as the strategy is implemented. The Fife Economy Partnership and Fife Council are keen to build on the investments already made in Fife, to open up new opportunities and to establish Fife's position as the best place to do business in Scotland.

From Strategy to Action

This strategy identifies the strategic direction, nature and scale of the change required. Action Plans to deliver each of the strategic outcomes are included in Appendix 1. Appendix 2 summarises the organisations and partnerships contributing to its delivery.

Review of this Strategy

This Economic Strategy will be reviewed in 2017 and 2020. However, there will be annual reviews of the Action Plans and their delivery activities.



Policy and Economic Content

Fife is the third largest region in Scotland by population being home to 364,000 people. It makes a significant contribution to the Scottish economy with an annual business turnover of £10,312m that supports around 9,000 businesses and 163,000 jobs.

Fife is a very diverse local economy with strong economic, business and social linkages to the adjoining city regions. Around one in ten Fifers commute to work in the adjoining cities and regions. Over the last decade, Fife's population has grown steadily and is expected to continue to do so. Forecasters expect that, by 2035, the working age population will have shrunk by more than 10% as the population aged 65+ increases.

The Policy Context

The Government Economic Strategy 2011

sets out the overarching framework for the development of the Scottish economy and the agenda for public sector intervention.

The Framework for Employability 2012

brings the employability and economic development agendas together by promoting the social and economic value of a skilled, educated and creative workforce.

The Agenda for Cities and their Regions

develops the key assets of Scotland's cities and their regions into internationally investible propositions as drivers of growth. It recognises that cities rely on their immediate neighbours for access to labour and to house essential economic activities and industries. Equally, surrounding areas rely on cities for employment opportunities and access to social and cultural services and activities.

Fife's Community Plan 2011 – 2020 aims to make Fife a great place to live, work, visit and invest by improving the performance of the Fife economy. **The Council Plan 2013 – 2017** aims to grow a vibrant economy in Fife.

Key messages from these policies include:-

- Fife needs to develop a more enterprising and innovative economy;
- Investment needs to be focused on key sectors and locations;
- Cities and their regions are drivers of economic growth;

- Regenerating town centres and reducing inequalities are ongoing priorities; and
- Seizing economic opportunities from the current transition to a low carbon economy.

Fife's economy – challenges and opportunities

There are lots of small businesses in Fife - more than 90% of businesses employ fewer than 50 people. Although there are a smaller number of larger businesses, their turnover accounts for almost two thirds of Fife's business turnover.

In the last decade, Fife has not been immune from the global financial crisis and its economic trends mirror the UK's and Scotland's:

- More than 4,000 jobs were lost by 2011. Output fell and unemployment increased.
- The average annual household income growth has fallen from 2.2% to 0.8% but has held up relatively well against similar areas of Scotland.

There are signs of growth in some sectors of the Fife economy:

- Tourism revenue has increased by 14% since 2010.
- Fife is now recognised as the leading outdoor tourism destination in Scotland.
- Business expenditure in research and development has grown by 25% since 2009.
- Investment of approx. £350m made in Fife's energy related assets in 2013 alone.

Fife is now predominately a services-based economy, although with almost 15% of jobs and 27% of its turnover in manufacturing, this is still an important sector for Fife. As in comparable regions, public administration, health, services, tourism and retail have accounted for most new jobs over the last decade.

Fife faces significant economic and social challenges to recover from the global financial crisis and return to a sustained and steady growth path. These challenges include:

- Economic and employment growth across the key sectors with less reliance on public sector employment.
- More businesses and self employment in order to match Scottish averages.
- Fife demonstrates relatively little specialisation in higher-value, innovative or exportable activities, often identified as being vital to any area's competitiveness.

Going forward, Fife needs to achieve job and productivity growth in higher value sectors.

- 1,000 jobs in STEM (Science, Technology, Engineering and Mathematics) related occupations were lost in Fife through the recession.
- 2.5% (or 2,200) more residents with degree level qualifications and fewer in lower-skilled jobs.



There are still areas of Fife with significant deprivation and physical dereliction where economic and social performance falls below the Fife average.

- Welfare reform poses significant challenges to many of Fife's families with estimates ranging from £30m to £117m being lost from the local economy.
- There is growing inequality between areas with Dunfermline, North East Fife and South West Fife having the most households 'comfortably or better off'.

In 2012, employment land take up was at its highest level for 15 years. However:

- Many settlements lack a local land supply to meet demand from local businesses.
- Too little of the employment land is immediately available, the majority is constrained.
- Much of Fife's commercial property stock is ageing, not meeting current requirements.
- The challenge is to develop innovative funding models to reduce investment barriers.

Historically much of Fife's economy relied on local residents and businesses spending locally. But consumer spending patterns are changing. Fife's town centres face increasing competition from adjoining cities, retail parks, supermarkets and online retailers for that spend. Vacant retail floorspace is currently highest in Glenrothes (19.2%) and lowest in St Andrews (5.4%).

Looking to the future

During the last decade, much of Fife's economic growth was derived from manufacturing and service sector activities, such as financial and business services. Forecasts indicate that these, along with tourism and energy, will continue to be key sectors where Fife's economy can grow. Future opportunities for employment growth are also likely to come in knowledge-based industries rather than entry level jobs. The Post-16 Reform of Education and Skills and the move to a single regional college in Fife is challenging yet must be able to deliver more science, technology, engineering and mathematics graduates. The Scottish Government's ambition for a world leading digital/creative economy in Scotland provides both opportunity and challenge for all businesses and sectors. Investment in Next Generation Broadband will enable more of Fife's businesses to compete digitally.



Our vision for the Fife economy

Developing the Vision

The purpose of the vision is to describe the desired future for Fife's economy. It aims to inspire, align, and direct priorities and activities.

During 2012, Fife Council, on behalf of the Fife Economy Partnership, undertook consultation with Fife's businesses to develop this strategy and its vision.

Key priorities from the consultation with businesses included:

- Tackling barriers to growth by making Fife the Best Place to do Business, prioritising skills and employability issues and adopting a key sector focus for Fife.
- Growing and supporting businesses in Fife to recover from the global financial crisis - business base growth was considered the most important driver of Fife's economic performance.
- Increasing the involvement of local businesses in supporting youth employment through promoting entrepreneurship, mentoring, work placements and apprenticeships.
- Ensuring that sustainable economic growth is shared across Fife.

The business-led **Fife Economy Partnership** has critical contributions to make:

- To encourage all businesses in Fife to take ownership of and get involved in helping deliver this Economic Strategy.
- To make best use of their connections to raise the profile of Fife.
- To focus activities and investment on private sector growth and help in making that growth inclusive.



Our Ten-Year Vision

Our joint vision is for a vibrant local economy in Fife through sustainable economic growth - where Fife's business environment inspires residents and businesses to create private sector job opportunities, making Fife the best place to start and grow a business.

Delivering the Fife Economic Strategy

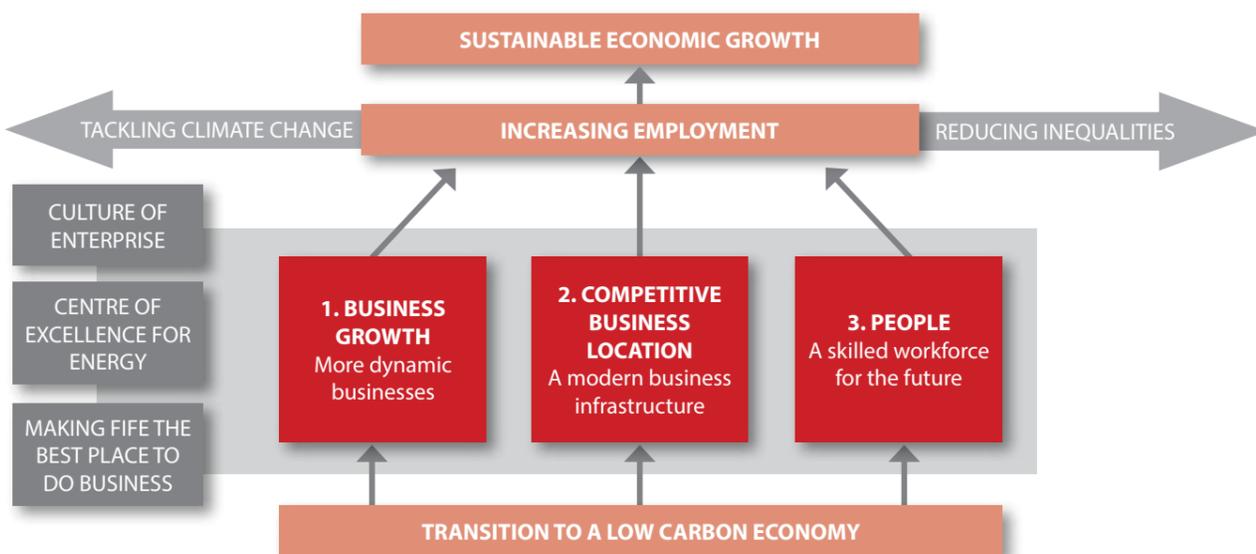
The vision and priorities identified and developed three strategic outcomes to provide clear direction for action planning. These outcomes will deliver this strategy and address the challenges and opportunities outlined in the previous sections. These are:

- People – a skilled workforce for the future including tackling barriers to employability;
- A competitive business location – a modern business infrastructure; and
- Business growth – more dynamic businesses actively engaged in markets outside Fife and in the digital economy.

The following diagram illustrates the strategic outcomes and their contribution to increasing employment and sustainable economic growth.

How we will measure success:-

- The number of jobs created or safeguarded through the activities undertaken to achieve these strategic outcomes;
- The number of Fife residents moved into work or training;
- The amount of private and public investment; and
- Increase in business and visitor revenue.



Strategic Outcome 1:

A Skilled Workforce for the Future – Removing Barriers to Employability

Fife's key challenges are to respond effectively to:

- Increased demand for work placements and jobs because of welfare reform.
- More than 3,000 18 – 24 year olds in receipt of Job Seekers Allowance.
- The need for more science, technology, engineering and maths skills.

The scale of these challenges is significant. To match the Scottish average, working age residents with NVQ4+ (degree level) qualifications would have to increase by 2.5% or 2,200 people. These qualifications also need to respond to employers' requirements for sector related skills.

Education is still the most important route to acquire the skills for economic success and education is at the heart of the sustainable growth of Fife's economy. Fife will not flourish without well-educated and skilled people and more innovative and successful companies. Despite considerable attainment and achievement, it needs to improve further. In particular, the NEET (not in education, employment or training) group of young people needs to reduce. Fife Colleges have a vital role to play in this Economic Strategy, from reducing worklessness, promoting entrepreneurialism and meeting the skill requirements of employers.

Priority Activities

Employability Services - Fife needs to reduce unemployment levels and ensure that all residents have the opportunity to remove their barriers to work and to improve their skills in and out of work. To achieve this, the skills profile of Fife residents needs to change in order to become more relevant to tomorrow's business growth opportunities. The immediate challenge is the changing

demands for employability services as a result of Welfare Reform and the need to increase the range and number of jobs to cater for more people seeking work.

Youth Employment - The Fife Economy Partnership works with the Opportunities Fife Partnership and Education to help young people in Fife get the best start in work and have the ambition and skills they need to access job opportunities or to start a business. Education and local businesses are involved in supporting youth transitions through mentoring, work placements and apprenticeships. However, education and business partnership needs to expand significantly if youth employment is to increase.

Sector and STEM Skills - Local businesses must also have the skills and tools that they need to recruit and manage their workforce. The transition to a digital economy will require new ways of working. Fife's partnerships will facilitate medium to long term planning for future skills requirements – for growth sectors and specific subject areas like technology.

What might success look like?

Fife is a region where people value education as the basis of success in the world of work and excellent school attainment provides a foundation for participation in all forms of further education. An easily accessible employment pathway delivers the best outcome for our people by removing barriers to employment that enables all of Fife's residents to participate in the economy.

Strategic Outcome 2:

A Competitive Business Location – A Modern Business Infrastructure

Fife's key challenges are to:

- Regenerate and revitalise Fife's key town centres;
- Increase the supply of immediately available employment land;
- Achieve at least 85% coverage of Next Generation Broadband;
- To make Fife's planning, regulation and licensing processes the best in Scotland.

Through investment in business infrastructure, Fife has been successful in modernising its economic assets – for example, through the development of John Smith Business Park, the Energy Park, Fife and Fife Renewables Innovation Centre. An Employment Land Strategy has identified more sites in Fife's settlements for employment investment.

Fife's tourism product needs to encourage visitors to enjoy all of Fife's assets and experiences, especially in the off-season. To do this, Fife needs to be a well connected and networked place – with both digital and transport connectivity.

Priority Activities

Town Centres - to strengthen their offer, to help them adapt to changing consumer requirements. Fife Council has facilitated summits in each of the key town centres in Fife, working with local businesses and residents to develop a range of actions. Two town centres, Kirkcaldy and Dunfermline, have developed Business Improvement Districts.

Energy Park, Fife and Fife's coastal employment assets – complete the development of the Energy Park, Fife; Fife Renewables Innovation Centre and the Low Carbon Investment site. For other

coastal employment sites, including Rosyth, to develop investment propositions in partnership with the private sector.

Development of digital infrastructure and economy – delivery of Next Generation Broadband investment in Fife to increase coverage to 85% of premises. Assist businesses to fully exploit this.

Making Fife the best place to do business action plan - Fife Council is adopting a whole Council focus on economic recovery and growth to ensure that it uses every tool available – from housing investment, procurement, licensing and waste management to economic development – to support local businesses. It has reviewed its procurement processes to tender more opportunities through Public Contracts Scotland. The Amazon Fulfilment Centre, the largest and most technologically advanced in the UK, was open for business within nine months from construction. All the Community Planning partners in Fife will be encouraged to adopt a similar approach to capitalise fully on the key role that they play within the local economy.

What might success look like?

Regeneration allows all areas of Fife and their residents to make a greater contribution to improving the economic, business and environmental performance of Fife. New approaches to the delivery of regeneration use innovative funding solutions to improve the scale, quality and sustainability of regeneration activity. Fife competes effectively with other areas of Scotland and Europe for Energy investment.

Strategic Outcome 3:

Business Growth

Fife's key challenges are:-

- More than 9,000 jobs are needed to exceed employment levels existing before the global financial crisis.
- Too many of Fife's businesses rely on local markets and do not export.
- Low levels of business start up and self employment.
- Sectors dependent on public sector investment such as defence.

It is anticipated that the Scottish economy could increase its GVA (Gross Value Added) by up to £3.7 billion over the next 5-7 years if it becomes a world-class digital economy and if businesses are able to take advantage of this.

Fife has a strong tradition of joint working between the partners in the Fife Economy Partnership. A number of regional partnerships such as the East of Scotland Investment Fund have successfully delivered business growth programmes funded by the European Union.

Priority Activities

Business enterprise support – start ups and growth businesses – The review of Business Gateway Fife is expected to deliver improved performance for new and existing businesses. Scottish Enterprise delivers account management support to growth companies. Export market development support through SDI (Scottish Development International).

Sector action plans – Energy; Tourism, Others – Supplier and market development activities support innovation and investment. Businesses work with Fife Colleges and other training providers to develop a joint model for workforce requirements to better match skills supply to business demand. Sector

networks provide opportunity for businesses to learn from each other. Fife's businesses realise the benefits of the low carbon opportunity.

Invest in Fife – ongoing activities to support existing and attract new investors to invest in Fife and to promote Fife's investment opportunities in the key sectors of energy, business services and tourism.

Access to Finance – A range of investment funds available to Fife businesses to address a lack of finance as a barrier to growth and employment.

Business Property – provide a modern portfolio of industrial and commercial property in Fife's key employment settlements, where market failure prevents private sector investment.

What might success look like?

The proportion of residents who are self employed matches the Scottish average, i.e. an additional 2,500 people, to tackle Fife's entrepreneurial deficit. There are more businesses in Fife and they are more dynamic in sectors with export potential and able to reach world markets through the web. Levels of innovation investment and turnover are comparable to the proportion of Scotland's businesses in Fife. Fife is an active participant in Scotland's city regions, sharing in and contributing to their economic growth. Employment exceeds pre-recession levels.

Supporting Themes

These support all three strategic outcomes with activities involving people, businesses and the business environment.

Invest in Key sectors

Fife as a Centre of Excellence for Energy and Renewables

Consultation with businesses in 2012 endorsed a focus on all forms of Energy as well as Renewables. Fife has tremendous assets and achievements to support this ambition - Fife's Colleges are recognised for the quality of their renewables and engineering skills provision. The Energy Park, Fife and Rosyth are key components of the National Renewables Infrastructure Plan yet also support the needs of the oil and gas industry. There is potential for other coastal employment sites in Fife to enhance these as well as opportunity for Fife's suppliers to these markets to both grow and increase in number.

Tourism

The aspirations of Fife's tourism businesses are that by 2020 Fife will be a sustainable, first class tourism destination, with a year round economy, where businesses are growing and visitors return year after year. The Fife Tourism Partnership's strategic priorities are:

- A warm welcome for all – improving the visitor experience;
- More successful and growing businesses;
- The right infrastructure; and
- Core Fife products to take to market and sell – golf, coast and countryside, food and drink, Fife's culture and heritage and Fife's key destinations.

Other sectors

Industry leadership groups working with national agencies have developed sector growth strategies and action plans for the national growth sectors. The economic development organisations in Fife and Fife businesses help deliver these action plans. There are also local sector networks such as the Fife Construction Forum, Contact Centre Group, the Create in Fife Network, a Manufacturing Group and Green Business Fife to supplement national activities. These deliver a range of activities for their members and are open to all businesses in the sector.

Transition to a Low Carbon Economy

Developing a low carbon economy means all of Fife businesses need to change the way in which they use resources. This is an opportunity for all of Fife's sectors to develop new products and services and/or to use less raw materials and energy in their processes. The internet also opens up new ways to reach new markets and customers.

Achieving both the objectives for business growth and for a low carbon economy introduces key tensions in the current economic climate. Initiatives to mitigate the harmful effects of carbon emissions on the climate and to adapt to climate change impacts will need to help businesses reduce costs and to survive and to safeguard jobs. The low carbon agenda supports the development of a sustainable society as does the corporate social responsibility agenda. The ambition of 3,300 new green jobs by 2020 which was set out in 2009 in the Economic Strategy is still relevant but we also want to seize the business growth opportunities for Fife.

Measuring Progress

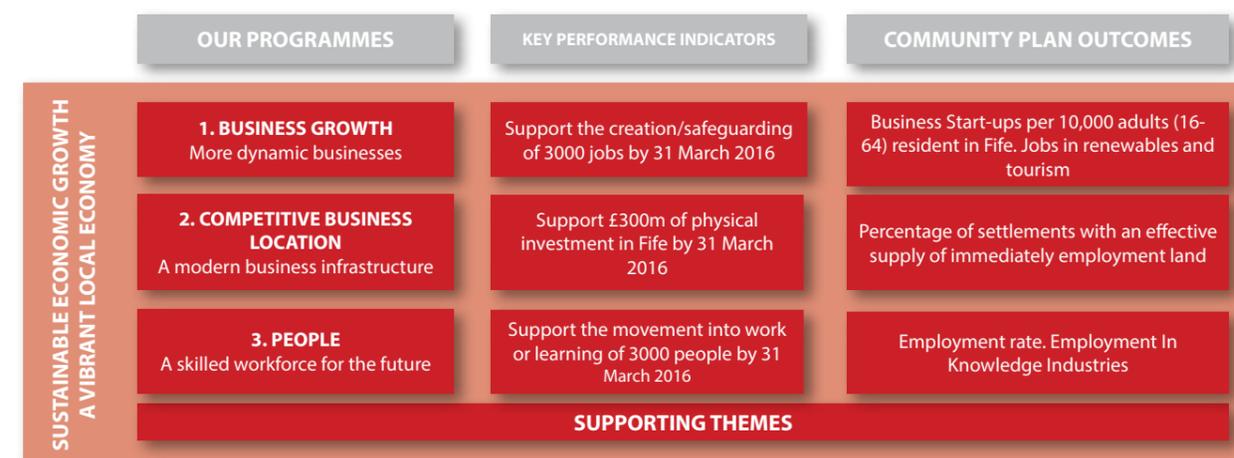
The progress of this Economic Strategy will be monitored and measured in three ways:

1. **External contextual measures** - to track the performance of Fife's economy using the Outcome Indicators developed by SLAED (Scottish Local Authorities Economic Development).
2. **Internal contextual measures** - regular consultation with local businesses to gauge how change in the economy impacts on Fife's businesses.
3. **Economic development activities** - to measure and forecast the outputs for the three key economic performance indicators outlined in the diagram below. Annual forecasts for these will be developed in the Action Plans for this Strategy.

The Fife Community Plan 2011 – 2020 sets out the outcomes for the Fife economy in 2020 under the high level outcome "increasing employability". It includes the Single Outcome Agreement that sets out the indicators, baseline and 2020 targets. The above diagram shows the link between the strategic outcomes for this strategy and the Community Plan long term outcome indicators.



Sustainable economic growth - growing a vibrant Fife economy



Strategic Outcome Programme	Target for 2023
1. People	The employment rate for Fife returns to the 2007 (pre-global financial crisis) rate of 73.5% or 9,000 more people in work.
2. Competitive Business Location	The Community Plan target of 40% of settlements with an effective 7 year supply of immediately available employment land is significantly exceeded.
3. Business Growth	The number of businesses in Fife per 10,000 working age adults matches the current Scottish average – almost an additional 1,900 businesses (the current Scottish average is 484 per 10,000).

Appendix 1 - Action Plans

Outcome 1: People - A Skilled Workforce for the Future – Removing Barriers to Employability.					
Strategic Priority	Where we are now	Where we want to be by 2023	The scale of the challenge	Key Deliverables by 2017*	Delivery Partners
Employability.	Businesses and job growth are being held back by a lack of potential employees with relevant skills and qualifications	Fife's workforce, skills and expertise is renowned as providing great educational and career opportunities in all sectors.	To match Scottish average, working age residents with NVQ4+ would have to increase by 2.5% or 2,200 individuals	<ul style="list-style-type: none"> More than 3,000 residents aged (16- 64) into work, education or training. Degree courses delivered in Fife in partnership with Scotland's Universities. 	<ul style="list-style-type: none"> Fife Colleges Fife Council, Skills Development Scotland. Fife Colleges
Youth Employment.	There were 2,401 people on a Modern Apprentice (MA) scheme in Fife during 2011/12, an increase of 12.5% from 2010/11.	Employers across all sectors recognise the value of Modern Apprenticeships as a means of tackling skills shortages and giving young people the best start in work.	3,155 18 – 24 year olds in Fife are in receipt of Job Seekers Allowance (JSA).	<ul style="list-style-type: none"> Fife Youth Job Contract Programme funds 500 - 600 additional Modern Apprenticeships (MA) and jobs. All young people in P6 to S6 receive effective support and skills development to make the transition from education to work. 	<ul style="list-style-type: none"> Fife Council Education Skills Development Scotland
A Culture of enterprise, innovation and ambition.	In 2011, 3.8% of Fife's population aged 16 – 64 was either emerging entrepreneurs or new business owners.	Fife's TEA (Total Early-Stage Entrepreneurial Activity) as measured by the Global Entrepreneurship Monitor matches the Scottish average.	To match the Scottish average, this would need to increase to 4.7%. (2,130 people in 2011)	<ul style="list-style-type: none"> More than 300 businesses become involved in education business partnerships covering 55% of Fife's schools. 	<ul style="list-style-type: none"> Fife Council Fife Economy Partnership Education
STEM (Science, technology, maths and engineering) Skills.	In 2010 there were 9% STEM-related employees in Fife (11,622), 1,040 fewer than in 2008 before the recession.	Fife residents benefit from opportunities with successful STEM related businesses.	Increased numbers of graduates at all levels of the education system in STEM subjects.	<ul style="list-style-type: none"> Numbers of clients supported to achieve SVQ level 3 qualifications in STEM related subjects 	<ul style="list-style-type: none"> Fife Colleges Education
Sector Skills Action Plans - Tourism	Customer Service skills identified as key weakness in Fife's Tourism Product.	A significant pool of adults 16 – 64 holds relevant skills for the Tourism sector.	Re-skilling of people in and out of work for the opportunities in this sector.	<ul style="list-style-type: none"> A Tourism Skills Action Plan is developed and supports an agreed number of adults 16 – 64 to re-skill in this sector. 	<ul style="list-style-type: none"> Fife Council Fife Colleges Fife Tourism Partnership
College Regionalisation	A review of Course provision is underway.	Employers recognise the quality of college graduates.	To ensure that the curriculum provided meets Fife employer's requirements.	<ul style="list-style-type: none"> A joint model of Fife's future workforce is developed to meet Fife employers' needs. 	<ul style="list-style-type: none"> Fife Colleges Fife Council Fife Economy Partnership

* Annual forecasts will be developed in the Opportunities Fife Delivery Plan.

Outcome 2: A Competitive Business Location

Strategic Priority	Where we are now	Where we want to be by 2023	The scale of the challenge	Key Deliverables by 2017*	Delivery Partners
Next Generation Broadband infrastructure.	65% coverage of Next Generation Broadband likely from private sector investment.	A strong digital and creative economy in Fife provides business growth.	To match or exceed national broadband coverage and quality to enable the competitiveness of local businesses.	<ul style="list-style-type: none"> At least 85% coverage of Next Generation Broadband delivered by Fife Council and Scottish Government investment. 	<ul style="list-style-type: none"> Scottish Government Fife Council
Employment Land	20% of settlements have a 7 year effective supply of immediately available employment land.	The Community Plan target of 40% is significantly exceeded.	Only 4 out of 20 settlements have effective supplies. A Revolving Land Fund to fund Fife Council investment.	<ul style="list-style-type: none"> The Employment Land Programme delivers additional employment land in at least a further 2 settlements. 	<ul style="list-style-type: none"> Fife Council Scottish Enterprise Scottish Government SESPlan/ TAYPlan
Energy Park, Fife	The Fife Renewables Innovation Centre (FRIC) achieved more than double its initial target occupancy by April 2013. Phase 1 of the Energy Park, Fife is completed.	A Centre of Excellence in Energy and Low Carbon technologies. The economic potential of Fife's coastal employment sites is optimised.	Fife must boost its offer to compete effectively with other areas of Scotland and Europe for energy investment.	<ul style="list-style-type: none"> Phase 2 of the Energy Park, Fife is completed. A cohesive proposition for Rosyth Waterfront is developed and being implemented. 	<ul style="list-style-type: none"> Fife Council Scottish Enterprise Private Sector
Commercial/ Industrial Property stock.	Many industrial estates are more than 40 years old, in a condition that does not meet current and future business requirements.	A modern, flexible, energy efficient stock of commercial, industrial and office stock in key employment centres.	For example – the majority of the industrial stock in Glenrothes was built before 1970.	<ul style="list-style-type: none"> Establish two industrial Business Improvement Districts. Development and investment plan for at least two industrial parks. 	<ul style="list-style-type: none"> Fife Council Private Sector
Finance for growth.	In 2012 60% of Fife business representatives considered finance to be the greatest challenge to business growth.	Business growth in Fife is not constrained by a lack of affordable finance.	The Bank of England has reported that business lending has declined for 2011/12.	<ul style="list-style-type: none"> Number of businesses in receipt of investment to support their growth plans. 	<ul style="list-style-type: none"> Scottish Enterprise Business Gateway Fife Fife Council
Town Centres:	With the exception of St Andrews, town centre vacancy rates in Fife's key town centres have increased over the last 2 years.	Fife's performance to match or exceed a benchmark family of town centres. (To be developed)	Town centres throughout the UK are affected by changes to consumers' behaviour such as internet shopping.	<ul style="list-style-type: none"> At least 80 businesses (new or existing) assisted in Fife's key town centres to improve their competitiveness. 	<ul style="list-style-type: none"> Fife Council Kirkcaldy4All Dunfermline Delivers Scottish Government.
Place Promotion	A Perception Study carried out in 2011/12 revealed a lack of understanding of the Fife offer and place by external audiences.	Fife's profile ensures that external audiences have a clear sense of place and purpose for Fife.	The external audience is multi-faceted depending on whether they intend to live, work, visit or invest in Fife.	<ul style="list-style-type: none"> Invest in Fife to secure an additional 15 inward investors and 2,000 – 3,000 new/safeguarded jobs. Deliver additional Annual Visitor Expenditure. 	<ul style="list-style-type: none"> Fife Council Fife Tourism Partnership Fife Economy Partnership
Making Fife the best place to start up and grow a business.	In 2011/12, the average number of weeks to a decision for major applications was 58.	Fife Council's key regulatory processes match or exceed the Scottish average performance.	The time taken to process major applications needs to reduce by more than 25% of current performance.	<ul style="list-style-type: none"> Planning Performance achieves: <ul style="list-style-type: none"> Major - 43 weeks Local - 11 weeks. Householder - 7 weeks 	<ul style="list-style-type: none"> Fife Council Fife Partnership

* Annual forecasts will be developed in the Delivery Plans for this Strategy.

Outcome 3 Business Growth

Strategic Priority	Where we are now	Where we want to be by 2023	The scale of the challenge	Key Deliverables by 2017*	Delivery Partners
Enterprise - Business Start Ups	29 New VAT/PAYE Registrations per 10,000 Adults (2010)	The number of start ups per year matches the Scottish average.	An additional 6 businesses per 10,000 adults to reach national average (currently 36).	<ul style="list-style-type: none"> ■ A more effective and efficient Business Gateway operation following its review in 2012/13. ■ Increased start ups and jobs. 	<ul style="list-style-type: none"> ■ Business Gateway Fife ■ Fife Council
Enterprise - Business Growth	70.8% (2011) employment rate in Fife.	The employment rate in Fife returns to the 2007 (pre-global financial crisis) rate of 73.5%	9,000 jobs need to be created.	<ul style="list-style-type: none"> ■ Support for higher growth businesses in Fife. ■ Existing and new businesses create/ safeguard 3,000 jobs. 	<ul style="list-style-type: none"> ■ Scottish Enterprise ■ Business Gateway Fife ■ Fife Economy Partnership
Investing in Key sectors - Energy (including Oil and Gas and Renewables)	1,750 Green Jobs (2012) Baseline and target to be reviewed once definition available.	3,300 jobs in Fife based businesses in the renewables sector. Note: The Scottish Government and national agencies are developing a definition of "green" jobs.	Create an additional 1,550 green jobs (those employed in the renewable energy sector)	<ul style="list-style-type: none"> ■ Fife suppliers assisted to secure new contracts, including 3 major energy related growth projects. ■ Invest in Fife secures 3 large scale inward investments in this sector; 	<ul style="list-style-type: none"> ■ Scottish Enterprise ■ Fife Council. ■ East Coast Renewables.
Investing in Key sectors - Tourism	Annual visitor expenditure of £312m in 2012	A 20% increase in annual visitor expenditure from 2010.	Visitor expenditure in 2010 was £274m, so additional expenditure of £55m with the majority in the off-season.	<ul style="list-style-type: none"> ■ Additional visitor expenditure secured to tackle seasonality. 	<ul style="list-style-type: none"> ■ Fife Tourism Partnership ■ Local Tourist Associations ■ Visit Scotland
Knowledge and Innovation;	32,566 employed (2010) or 31% of employment in knowledge industries.	Match the previous decade's growth (10%) in private sector knowledge industries employment. A competitive Creative Sector in Fife.	Knowledge industries have been declining in Fife and Scotland since 2008.	<ul style="list-style-type: none"> ■ Investment in R&D and development of innovative products and services. ■ The development of the creative sector in Fife achieves increased business start ups and jobs growth. 	<ul style="list-style-type: none"> ■ Scottish Enterprise ■ The Fife Knowledge Transfer Partnership. ■ Fife Cultural Trust
Investing in the Service sector.	292 businesses per 10,000 adults aged 16 -64.	Businesses of all sectors and sizes take advantage of growth opportunities created by Scotland's city regions.	The Scottish average is 365 businesses per 10,000 adults – Fife would require an additional 1,500 businesses to match this.	<ul style="list-style-type: none"> ■ Invest in Fife succeeds in securing further investment in the business and financial services sector. ■ Growth in the food sector through the Fife Food Tourism Project. 	<ul style="list-style-type: none"> ■ Fife Council ■ Scottish Enterprise ■ Fife Economy Partnership
Markets - Global	£37,824 GVA (2010) per employee.	A 10% increase in GVA per employee to narrow the gap to the Scottish average of £59,934.	Increase in Total Business Turnover for Fife from improved export performance.	<ul style="list-style-type: none"> ■ Encourage investment and exports as a route to a more balanced local economy. ■ More Fife businesses use Scottish Development International (SDI) services to export. 	<ul style="list-style-type: none"> ■ Scottish Development International ■ Fife Chamber of Commerce
Markets – Public Sector	Fife firms won £80m of contracts on PCS (2012)	Fife firms win £100m of contracts on PCS (Public Contracts Scotland) (inflation adjusted)	Grow the value of contracts by 25% to £100m	<ul style="list-style-type: none"> ■ The Supplier Development Programme assists Fife Companies to secure new contracts. 	<ul style="list-style-type: none"> ■ Fife Council ■ Fife Partnership

* Annual forecasts will be developed in the Delivery Plans for this Strategy.

Appendix 2 - Partnership and Collaboration

Two Community Planning partnerships – Opportunities Fife and the Fife Economy Partnership deliver this joint employability and economic Strategy. The Fife Economy Partnership, a business-led group, is the lead partnership for the Economy and the Fife Economic Strategy.

The remit of the Fife Economy Partnership is to:

- Set the economic development priorities for Fife.
- Make Fife’s case for investment by the public and private sector.
- Support and initiate economic and business campaigns.

Opportunities Fife Partnership’s remit is to:

- Assist Fife residents to overcome their barriers to work, skills and earnings.
- Ensure that Fife’s resources complement national programmes - to tackle gaps in provision.
- Champion cross-boundary working with other employability partnerships to respond to travel to work patterns.

This diagram outlines the partners and their contributions to the two partnerships.



