

Strategic Agreement – A Memorandum of Understanding between Glasgow City Council and Glasgow Chamber of Commerce

1. Introduction

This paper proposes a Strategic Agreement between Glasgow City Council and Glasgow Chamber of Commerce to develop greater involvement of the Chamber and the business community in the delivery of the City's economic development objectives through a series of strategic initiatives.

2. Background

The recently published report of the Glasgow Economic Commission identified a number of recommendations to grow the Glasgow Economy and take it successfully out of recession. One of the main recommendations of the report was that the role of the private sector was critical to the successful implementation of the Commission's findings and to the growth of Glasgow's economy.

"Above all, we need to harness the power of the city's private sector leadership, for it is from the private sector that Glasgow's next phase of economic growth will be generated" -- Professor Jim McDonald, Chair of Glasgow Economic Commission 2011

Greater involvement of the private sector is an increasing trend in the development of cities and Glasgow can take the lead in this.

The Economic Commission recommended the establishment of a Private /Public Leadership Board and also Industry led Sector Groups. The formal announcement of these groups and their membership was made at the State of the City Economy Conference in November 2011.

However as well as the high level involvement of the private sector in the Leadership Board the Commission also identified the importance of wider and deeper involvement of the business community in the delivery of many of its recommendations. In response to this the Leader of Glasgow City Council also announced at the State of the City Economy conference that there would be a Strategic Agreement between Glasgow City Council and Glasgow Chamber of Commerce as a major step in building those relationships and in delivering key projects.

3.Rationale

While the City Council plays the main role in the regeneration and economic development of the city there are clear benefits to working closely with the Chamber of Commerce.

The Glasgow Chamber has played a strategic role in the City's economic development plans over the last few years. It was involved in "A Step Change for Glasgow" and has played a major role in The Glasgow Economic Partnership. More recently the Chamber helped initiate the Glasgow Economic Commission, was part of the high level Steering Group of the Commission and the CEO of the Chamber will be part of the new Leadership Board.

In delivery of economic development however the Chamber's primary strength lies in its ability to act as a channel to (and from) the business community in Glasgow .Throughout the recent difficult times the Chamber's membership has held up strongly. Improvements in its website, CRM database, social media, PR and traditional print media have all helped increase the Chamber's reach to the point where it now regularly and actively communicates with 10,000 business people in the city

The Chamber of Commerce can currently contribute the following:

- An expanding and healthy contacts database
- Increasingly effective communications channels – a business magazine, website, social media channels, expanding events programme
- A robust Board and Council of Directors
- A growing range of expert groups – including a Projects Advisory Group
- Time of the CEO
- An independent public voice

The City Council and the Chamber of Commerce already work together in a number of areas; the Strategic Agreement will give greater focus and impetus to that process.

4.Objectives

The main objectives of the Strategic Agreement are as follows:

1. Articulate shared objectives following the Economic Commission and the establishment of the Glasgow Leadership Board
2. Marshall resources of both the City Council and the business community to achieve greater impact of the Commission's recommendations
3. Build the collective strength of the business community and channel that in achieving greater prosperity for Glasgow

5. The Strategic Agreement

The Strategic Agreement is a collective agreement between Glasgow City Council and Glasgow Chamber of Commerce on identified actions and resources required that achieve the mutual aims of the two institutions over an agreed period of initially three years from April 2012 to March 2015.

5.1 Actions

As its contribution to the Strategic Agreement the Chamber of Commerce will work with the City Council on the following specific proposals:

- To Develop the next phase of the Glasgow Economic Partnership and to establish a One Glasgow network of Glasgow business supporting Glasgow's economic objectives (along the lines of the Glasgow Ambassadors programme)
- To Support the delivery of the work of the Glasgow Economic Leadership Board providing assistance to the Leadership Board secretariat in responding to requests from the Board meetings.
- To increase the number of companies involved in unemployment reduction through shared commitment to the Glasgow Works Employer Engagement Team including a robust Employer Board
- To Develop a BID 2 and develop a new City Centre economic development strategy
- To lead the development of the business contribution to a new Digital Strategy and Action Plan
- To work with the City Council in developing a One Stop approach to business in the city including business services, skills measures and developer engagement
- To Promote City Council initiatives to the Chamber database where appropriate
- To support the achievement of the Sustainable Glasgow targets by working closely with businesses in the city to understand and influence their carbon management plans.

More generally during the period of the Strategic Agreement the Chamber of Commerce will also work with the City Council on the following areas and will develop specific propositions for each

- To increase the engagement of Glasgow business with the city's economic strategy and the work of the Glasgow Economic Leadership Board
- To develop an additional business-led source of new project proposals and problem solutions tackling issues set out in the economic strategy
- To establish new business networks supporting Glasgow's growth
- To deliver economic development projects through wider and deeper reach into the business community.
- To demonstrate clearly that Glasgow is systematically 'open for business'

5.2 Impacts

The following are indicative of the benefits of more closely working together

- Increasing the number and deepening the commitment of business to tackling youth unemployment
- Increasing the number and deepening the commitment of business to the objectives of Sustainable Glasgow
- Increasing the impact and visibility of the City Council's work to support the business community through programmes such as Supplier Development, Marketing, etc
- Increasing the effectiveness of the Economic Commission recommendations and increasing the business community investment in support of transport, the city centre, digital infrastructure and unemployment reduction.

5.3 The Delivery Arrangement

In order to deliver the Strategic Agreement the following is proposed :

- A three year deal
- Continuation of funding for Glasgow Works Employer Engagement Team
- An increased funding arrangement for the Chamber to support Glasgow Economic Partnership and Glasgow Economic Commission
- A project development package equivalent to 3 project development execs to help the Chamber release the potential of its business networks
- Additional funding to lead "City Centre Act 2" and Digital Glasgow strategies
- A joint agreement on Business Support service delivery under 'Open for Business'

5.4 Inputs and Outputs

Project	Activity	Outputs
Glasgow Works Job Brokers £260k FY12/13 (staff are GCC employees deployed within GCoC)	5 Job Brokers, 0.7 Manager and support costs funded by GCC with ERDF support until July 2013*	Job entry and matching targets contained in ERDF bid and monitoring process.
Glasgow Employer Board support staff £60k FY12/13 (Staff are GCoC employees)	1 Job Broker, 0.3 Manager To be funded by DRS	Support to GEB, marketing and related activity
Glasgow Economic Partnership support costs £40k per annum	Secretariat for meetings, implementation of new structure.	Formation of "Home" and "Away" teams. Support for meetings and Chair
Project Development support £120k per annum	3 Project development staff. Managed process developed for project approval and development	new Initiatives arising out of GEL/GEP work. Development of Business Cases and plans
Digital Strategy and Business Improvement District £150k per Annum	Budget to support research and development process for Digital and BID	Research, Consultancy support and development costs

*Operational Management of the Job Brokers will be retained by DRS as detailed in the existing ERDF Project approval. Further ERDF funding may be available after this time subject to Scottish Government Programmes

In Financial Year 2012/13 this consists of:

- £260k from the existing Glasgow Works ERDF project
- £60k funding from DRS existing budgets
- £310k additional new funding from GCC

6. Conclusion

This is a critical point in Glasgow's economic transformation. The success of the last twenty years has been severely tested by the global recession. Whilst many of the successes of that period in employment generation, in asset building and in investment attraction are holding up well we know that we face challenging times. Unemployment must again be tackled, public spending will be much more constrained and whilst our asset base is strong we still have a way to go to diversify our economy, build up our business base and develop the world beating performance that will secure Glasgow's future prosperity.

This proposal argues that there is much to be gained through widening and deepening the involvement of the Glasgow business community in the economic development of the city. We believe that Glasgow Chamber of Commerce can

act as the effective "channel to business " , that working with the City Council it can help mobilise the business community behind the city's strategy and that it can help maximise the effectiveness of the city's economic development policies and programmes.

This Agreement will increase the effectiveness of the city's economic development and continue the progress that has been made to make Glasgow the most business friendly city in the UK.

7. Review and Governance

This Memorandum of Understanding shall come into effect when signed by both Parties and shall remain for three years, or until such times as one or both of the Parties terminate it.

The detail of the work to be undertaken by the Chamber of Commerce will be specified in a work plan and progress report, to be compiled every six months, beginning in March 2012. Progress against the workplan will be reviewed initially in September 2012.

A review meeting will take place between the Chief Executives of both organisations and the Executive Director of Development and Regeneration Services at the six month review points to agree priorities in the following period.

On behalf of Glasgow City Council

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On behalf of Glasgow Chamber of Commerce

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Date 30 March 2012

Appendix

Project Outlines

Glasgow Economic Partnership/ Glasgow Economic Leadership Board

GEP will provide the connection between the Glasgow Economic Leadership Board and the wider business community and the network of public sector and third sector partners committed to furthering Glasgow's economic strategy.

The Chamber will:

- work with the Council to review and reform the existing Economic Partnership, its objectives, its membership, its working methods and its targets.
- develop alongside the Economic Partnership a OneGlasgow network model reflecting the success of the Glasgow Ambassadors Programme for securing conferences and events. The OneGlasgow model will support a network of pro Glasgow business people both within Glasgow and around the world to help carry messages on Glasgow's investment potential and to bring senior decision makers to the city who have Glasgow connections.
- Support the secretariat of the Glasgow Economic Leadership Board in administering a selection of the various work streams and in responding to the requests from the Board which could involve the wider business community in problem solving or intelligence gathering.

Glasgow Works Employer Engagement Team/ Glasgow Employer Board

Both the Employer Engagement Team (GWEET) and the Employer Board are already in operation promoting the employment initiatives of the Council and other partners. The Commission makes recommendations proposing an increased role for both.

The Chamber will:

- Provide senior staffing support for the development of the Glasgow Employer Board to continue to build its role, membership and effectiveness as a channel of intelligence both to and from the business community on skills and employability issues

- Work with the key partners to help evolve the depth and reach of the GWEET
- Provide secondment, accommodation and management support to the GWEET to make a direct connection between the work of GWEET and the work of the Chamber.
- Increase the number of Glasgow employers engaging with the key initiatives by using the Chamber communication channels to raise the profile of the main employability initiatives.

City Centre Economic Development Strategy and Action Plan

The city centre has been through an impressive transformation over the past 25 years. It is the city's primary economic engine in retail, financial and business services, leisure and hospitality and plays a very significant role in education and creative industries. There are a number of trends and developments that challenge the role of the city centre.

The Chamber will:

Work with the Stylemle Partnership and the wider retail and leisure communities to develop a second Business Improvement District proposal

Work with the city centre business community, the Council and other partners (such as SPT and GCSS) to develop a set of priorities and responding actions for continued investment in the city centre including:

- Transport access, traffic management and parking facilities
- Public realm development and management
- Investment attraction in retail, commercial office and leisure space
- Future uses for older office and retail space in the Central Business District
- Improved experience for retail customers
- Support for the night-time economy

Glasgow Digital Strategy for Business

Glasgow has a track record in exploiting digital technology which was recognised in 2004 through the Intelligent Community of the Year award from the Intelligent Communities Forum in New York. Glasgow's development and exploitation of digital infrastructure has been less prominent lately.

The Chamber will:

Work with the business community to develop an updated digital strategy for Glasgow business which:

- Understands the expectations and demands from selected customer groups (e.g. business travellers to the city, inward investors, growing local business and retail consumers)
- Understands the strategies and investment criteria of the key infrastructure suppliers
- Benchmark Glasgow against competitor cities (drawing on support from the Intelligent Communities Forum)
- Assess the progress of our existing infrastructure
- Establish a practical vision for our digital infrastructure
- Develop a strategic plan for development

Glasgow 'Open for Business'

Glasgow City Council and its partners have launched many initiatives over the years to increase the effectiveness of the city in attracting business investment and helping business start and grow in the city.

The Chamber will:

- Work with the City Council to advise on the evolution and development of initiatives that will demonstrate Glasgow's commitment to being Open for Business
- Provide structured feedback (eg Business and Developer Panels) on the effectiveness of the Glasgow Open for Business offer
- Work alongside the City Council in promoting and delivering initiatives targeted at the business community to achieve high visibility and impact

Council/Chamber Strategic Plan

6 Month Action Plan

For Period April 2012 to September 2012

Glasgow Works Employer Engagement Team and Glasgow Employer Board

Reshaping the GW Employer Engagement Team to achieve:

- Clear links to Glasgow Regeneration Agency
- Communication plan for utilising Chamber channels to Chamber database
- Agreed targets for increased engagement from company base (including SME's)

Reshaping and relaunching the Glasgow Employer Board including:

- Agreement to new focus on youth unemployment, skills shortages and work readiness initiatives
- Expanded membership aimed at HR professionals
- First feedback report on key issues

Glasgow Economic Partnership and Glasgow Economic Commission

Supporting arrangement of GELExecutive Group and helping shape responses to key issues raised by GEL.

Holding 3 meetings of expanded GEP and one meeting of SME subgroup.

Digital Strategy/City Centre and BID

Agreeing business input to process for shaping new digital strategy and developing response to rejected bid. Agree milestones in process.

Examination of possible initiatives under digital business demand stimulation - identifying menu of choices for support.

Feasibility studies underway on options for city centre BID/BIDs

Process agreed for gathering business input to new city centre action plan.

Conference held with business on options for inclusion in city centre action plan.

Strategic Plan Resourcing

Strategic Project Manager appointed by Chamber and support staff identified

