Item: 4

Special General Meeting of the Council: 25 November 2020.

Economic Recovery Steering Group.

Proposed Resource Allocation.

Joint Report by Chief Executive and Executive Director of Development and Infrastructure.

1. Purpose of Report

To consider the allocation of funding towards establishment of dedicated programme management resources to support the ongoing work of the Economic Recovery Steering Group.

2. Recommendations

The Council is invited to note:

2.1.

That, on 11 June 2020, when considering proposed governance and spending priorities in relation to the business and economy response and recovery phase of the COVID-19 pandemic, the Council resolved inter alia:

- That the Governance Structure [attached as Appendix 4 to the Minute], including
 establishment of a short life working group which would be associated with the
 Vibrant Economic Delivery Group of the Orkney Community Planning Partnership,
 be endorsed.
- That Council representation on the Steering Group should comprise the Chief Executive, the Executive Director of Development and Infrastructure and five elected members.
- That the Chief Executive should submit a report to the Council, in due course, presenting the Steering Group Cross Sector/Cross Agency Recovery Plan, together with any financial implications for the Council arising from the Plan.

2.2.

That, in June 2020, the Orkney Partnership Board established the short life working group, entitled the Economic Recovery Steering Group, with a remit to develop a strategy for Orkney's economic recovery from the COVID-19 pandemic.

2.3.

That membership of the Economic Recovery Steering Group comprises the following:

- Five Elected Members of the Council, namely:
 - o Councillor Barbara Foulkes.
 - Councillor Rachael A King.
 - Councillor John T Richards.
 - Councillor Graham L Sinclair.
 - Councillor James W Stockan.
- Nine representatives from Orkney's business sector.
- Senior officers from the Council and Highlands and Islands Enterprise.

2.4.

That the Economic Recovery Steering Group, which has met seven times between 18 August and 14 November 2020, has developed a vision for Orkney's economic recovery, ASPIRE, together with an initial action plan, attached as Appendix 1 to this report, which has been endorsed by the Orkney Partnership Board.

2.5.

That the Economic Recovery Steering Group has requested financial support from the Council to establish the dedicated resource required to deliver the ASPIRE programme.

It is recommended:

2.6.

That the vision and initial action plan relating to ASPIRE Orkney, developed by the Economic Recovery Steering Group, attached as Appendix 1 to this report, be endorsed.

2.7.

That the Council commits an allocation of up to £250,000, to be sourced from the Council's Coronavirus Business Hardship Fund, to enable the Economic Recovery Steering Group to establish the necessary programme management resource to instigate delivery of the ASPIRE programme.

2.8.

That powers be delegated to the Executive Director of Development and Infrastructure, in consultation with the Leader, the Chair of the Development and Infrastructure Committee, the Head of Finance and the Solicitor to the Council, to establish an appropriate mechanism to distribute the funding, referred to at paragraph 2.7 above, to be made available to the Economic Recovery Steering Group.

3. Background

3.1.

On 16 April 2020, the Council established a Coronavirus Response Fund, with an opening balance of £5,000,000.

3.2.

Subsequent Council meetings have approved six financial support schemes drawing from the Coronavirus Response Fund during the response phase to the COVID-19 pandemic, as follows:

- Business Hardship Support Grant (BHSG), launched on 1 May 2020.
- Emergency Loan Scheme, launched 25 May 2020.
- COVID-19 response grant OIC 10% Top-up grant, launched 19 August 2020.
- Protective equipment grants, launched 19 August 2020.
- COVID-19 Recovery Development Grant, launched 19 August 2020.
- Hotel Job Support Fund, launched 13 November 2020.

3.3.

On 11 June 2020, when considering proposed governance and spending priorities in relation to the business and economy response and recovery phase of the COVID-19 pandemic, the Council resolved inter alia:

- That the Governance Structure [attached as Appendix 4 to the Minute], including
 establishment of a short life working group which would be associated with the
 Vibrant Economic Delivery Group of the Orkney Community Planning Partnership,
 be endorsed.
- That Council representation on the Steering Group should comprise the Chief Executive, the Executive Director of Development and Infrastructure and five elected members.
- That the Chief Executive should submit a report to the Council, in due course, presenting the Steering Group Cross Sector/Cross Agency Recovery Plan, together with any financial implications for the Council arising from the Plan.

3.4.

The Economic Recovery Steering Group (ERSG) was established within Orkney's community planning framework as a Short Life Working Group reporting to the Orkney Partnership Board in order to give it direct access to key public sector decision makers and facilitate a fast response to the unfolding economic emergency.

3.5.

Membership of the ERSG comprises the following:

- Five Elected Members of the Council, namely:
 - o Councillor Barbara Foulkes.
 - Councillor Rachael A King.
 - Councillor John T Richards.
 - o Councillor Graham L Sinclair.
 - Councillor James W Stockan.
- Nine representatives from Orkney's business sector.
- Senior officers from the Council and Highlands and Islands Enterprise.

3.6.

Business representatives facilitated a dialogue with the business community and identified nine representatives to sit on the ERSG, with a remit to act on behalf of the whole business community rather than specific sectors or business interests.

3.7.

The ERSG has met seven times between 18 August and 14 November 2020. The ERSG identified an immediate need to develop a vision and aims in order to focus effort, inspire confidence and mobilise support. Niteo Development Ltd, a Kirkwall-based consultancy, was selected by the group and contracted by the Council under emergency measures in in order to expedite the work. Several workshop sessions were conducted in a short space of time to establish consensus as to the approach to be taken and the most critical priorities to be addressed. The resultant vision document, ASPIRE, is attached as Appendix 1 to this report. ASPIRE builds on the premise that to recover from the pandemic, and build a better future, Orkney must aspire to be Ambitious, Sustainable, Prosperous, Inclusive, Resilient and Enterprising.

4. Proposal

4.1.

To date the business representatives have put in many hours of unpaid work but this is not sustainable in the longer term. The Council's Economic Development team has also been fully engaged in this work alongside the full time commitment which have also been necessary to apply to the wide range of Recovery work which will continue to represent a significant draw on time. It is therefore not considered

feasible, efficient or appropriate to expect the additional work required to effectively deliver this programme from existing resources. To implement ASPIRE, the ERSG has identified an urgent need for dedicated support. This requirement was reported to the Orkney Partnership Board on 6 November 2020. The Board endorsed the ASPIRE document but was unable to identify any financial support from other Partners at this time to support delivery of the Plan. At its meeting on 12 November 2020, the ERSG extended a request to the Council for the resources necessary to deliver ASPIRE.

4.2.

The ERSG has requested that the Council make available an initial budget allocation of £250,000. The majority of this funding would be spent on the employment of dedicated project management and administration resources. These people would support the work of the ERSG including developing a detailed Recovery Plan Framework, stakeholder engagement and delivery of the action plan. It is proposed that this project team be established for an initial period for up to two years. In addition to the Programme Manager and administrative support, the ERSG envisages roles for several part-time specialist project workers or commissions to develop opportunities in specific sectors or cross-sectoral areas. The remit and status of these roles will depend on the circumstances of each specific project.

4.3.

The specific functions and form of employment of the project management resources remains to be determined. Various options are possible including direct employment by the Council, another Community Planning Partner, or through a business or other community organisation. The option of private sector led employment model is considered attractive in that it is likely to be a quick means to employing the expert resources, and will also ensure that the team has a mandate to serve the ERSG directly. It will be necessary to determine an appropriate mechanism to release funding to support the aims of the ERSG, for example as a direct grant award to a third party. Further work requires to be done to ensure appropriate governance of public funding and compliance with Following the Public Pound, but it is vital that whatever model is selected it can operate swiftly in terms of employment and ownership of the position within the business community that it will serve.

4.4.

It is recommended that the Council makes an allocation of up to £250,000, under the steer of ERSG, to support the employment of appropriate project management resources that are critical to taking forward the ASPIRE/Recovery Planning work over the next two years. It is further recommended that powers be delegated to the Executive Director of Development and Infrastructure, in consultation with the Leader, the Chair of the Development and Infrastructure Committee, the Head of Finance and the Solicitor to the Council, to establish an appropriate mechanism to make the £250,000 fund available to support the defined actions of the Economic Recovery Steering Group.

5. Corporate Governance

This report relates to the Council's response to the economic challenges arising from the COVID-19 pandemic. Efforts to support the Orkney Economy through the pandemic are considered in line with the Council Plan priorities.

6. Financial Implications

6.1.

The financial implications are largely contained in the body of the report which recommends allocation of £250,000 from the Coronavirus Response Fund to the ERSG to provide support for delivery of the ERSG APSIRE action plan. This will be in the form of a programme/project officer(s) and additional resource as required over the next two years.

6.2.

The Council has established a Coronavirus Response Fund with an opening balance of £5,000,000.

6.3.

As of 31 October 2020, a total of £1,947,868 has been paid or committed for grant funded projects from the fund including one emergency loan of £100,000 which has recently been approved.

6.4.

It will be necessary to establish an appropriate mechanism to make funding available to the ERSG. This model will require to ensure appropriate governance in terms of Following the Public Pound, and to ensure the aims of the ERSG are achieved.

7. Legal Aspects

7.1.

Section 95 of the Local Government (Scotland) Act 1973, as amended, obliges the Council to make arrangements for the proper administration of its financial affairs.

7.2.

In terms of Section 20 of the Local Government in Scotland Act 2003, the Council has power to do anything which it considers is likely to promote or improve the well-being of its area and persons within it, or either of these. This includes power to give financial assistance.

8. Contact Officers

John W Mundell, Interim Chief Executive, Email john.mundell@orkney.gov.uk

Gavin Barr, Executive Director of Development and Infrastructure, Email gavin.barr@orkney.gov.uk

Roddy Mackay, Head of Planning, Development and Regulatory Services, Email roddy.mackay@orkney.gov.uk

Jackie Thomson, Development and Regeneration Manager, Email <u>jackie.thomson@orkney.gov.uk</u>

Stuart Allison, Economic Development Manager, Email stuart.allison@orkney.gov.uk

9. Appendix

Appendix 1 – ASPIRE Orkney: Economic Recovery Steering Group – Vision and Initial Action Plan.

Appendix 1.

ASPIRE Orkney Economic Recovery Steering Group Vision and Initial Action Plan

November 2020

Introduction

The economic landscape is going to look very different post Covid-19 – both here in Orkney, and everywhere that has been affected.

We are facing a complete reset of the economy, ways of living and ways of working. Many of our businesses are experiencing a significant reduction in turnover and employment. Some businesses have already closed, and jobs have already been lost.

A large number of people in our communities are living on reduced wages and less secure contracts. Many of our business owners have had to exhaust reserves where they had them and borrow at unprecedented levels to achieve survival. The economic impact of Covid is affecting individual, family, and community wellbeing.

Challenges are yet to emerge, including the market response to Brexit.

In the face of this, Orkney can work together to create a different kind of economic future which benefits the whole community. We can choose to build back better and create a true wellbeing economy, which prioritises economic prosperity and the creation of quality jobs, with an unequivocal focus on climate change, fair work and diversity.

Delivering this will require bold, innovative, collective leadership and action. No single agency can make this happen. We need a new, deeper partnership between the OIC, HIE, skills agencies, the private, third and voluntary sectors, based on a shared ambition and vision for Orkney.

This document sets out our vision for Orkney's economic recovery, the challenges that we face, our action plan and our proposed delivery model.

Glen McLellan

Chair Orkney Economic Recovery Steering Group

Our Vision: ASPIRE Orkney

To recover from the pandemic, and build a better future, Orkney must **aspire** to be:

Ambitious, Sustainable, Prosperous, Inclusive, Resilient, Enterprising

Ambitious

- Value and harness the county's natural, cultural, and human resources
- Take control of our own economic future
- Take control of our demographic future
 - Support population growth across the county for all ages
 - o Retain people through employment, education, and housing
 - o Attract new talent
- Innovate, experiment, improve

Sustainable

- Commit unequivocally to an environmentally sustainable future
 - o Lead the transition to a net zero economy: when we get there, shout about it
- Invest in sustainable enterprises and skills
 - o Create alternative career paths for those in environmentally damaging industries
- Develop a circular economy that keeps more money in Orkney for longer
 - o Increase community empowerment and ownership

Prosperous

- Aim high: become global leaders in the sectors we can truly excel in
- Create quality jobs
 - o Make Orkney a Real Living Wage community
 - o Improve conditions in important but typically low-wage sectors
- Work to eradicate fuel poverty
- Provide local investment opportunities
 - Invest local authority funds locally
- Campaign for increased Westminster and Holyrood funding
- Discover and secure new ways of attracting inward investment into Orkney

Inclusive

- Make sure no one in our community is left behind
 - o Create equal wellbeing in all areas of the county, including the isles
 - o Embrace diversity, creating opportunities for all
 - Focus on eradicating child poverty and create a place where young people want to live and work
 - Recognise and celebrate the contribution older people make in our community to allow them to love later life
 - o Increase investment in training, retraining and education
- Welcome new ideas and people wherever they come from
- Increase transparency so everyone can understand and endorse decisions taken by their local authority and associated organisations

Resilient

- Step up scenario planning
 - o Plan for future changes and challenges
 - o Identify strategies to respond to forecast megatrends
- Invest in robust technology and systems to help Orkney spring back from adversity
 - o Dramatically improve connectivity throughout the county
 - o Develop agile supply chains
- Attract and retain a highly skilled, adaptable workforce
 - o Train for a future where flexibility and problem-solving are essential attributes

Enterprising

- Unite and utilise the different skills of the public, private and third sectors
 - Link short-term, urgent action with long-term vision
 - Challenging bureaucracy: focus on goals, not processes
- Gather data, analyse it, act on it and update it constantly
- Make bold, well-informed decisions in planning, training, and investment
 - Seek out inward investors who share our vision
- Invest in and support enterprises and organisations that embody the ASPIRE principles, whether private, third sector, voluntary or community

Our challenges

Money exists but it's in the wrong places

Short term:

- £5m was ring-fenced by the OIC for Covid economic support, but only approximately £1.5m has been allocated. It's in the wrong place: it should be circulating in the economy.
- The challenge is to get that money making an effective, immediate impact in the local economy.

Medium term:

- The Strategic Reserve Fund is a valuable asset that has served Orkney, and the OIC, well over the last 40 years.
- The challenge is to renegotiate the different understandings, both OIC and community, of what the SRF is for, and then come to an agreement on how the asset should best be used over the next 40 years.
- A further challenge is to successfully channel the resources of other public agencies with a
 footprint in Orkney towards this Recovery Plan, and to ensure proportionate and effective
 the levels of financial support is made available to Orkney from Governments

Regulations protect us but can also harm our economic well-being

Short term

- When regulations work against Orkney's economic recovery, don't stick to them unquestioningly:
 - Work with government and regulatory bodies to find ways to rethink them
 - o Or consider risk-based approaches to alternatives.

Medium term

- Recognise that pre-Covid regulations are sometimes no longer fit for purpose.
- Become a community known for challenging orthodoxy and outdated regulations.
- Innovate to resolve challenges specific to our island community.

Public procurement involves large expenditure, but local businesses lose out

Short term

- Seek best value, not lowest cost:
 - o Often this should mean Orkney suppliers
 - o Always it should mean suppliers who align with ASPIRE principles.

Medium term

- Argue for relaxation or remodelling of national procurement regulations:
 - o in Orkney's special circumstances

- o in the light of the post-Covid changed landscape.
- Be aware that using contractors based on an island, where a project is planned, can have benefits for that island, beyond those provided by a Mainland-based contractor.
- Ensure this can be a common approach for all public service providers within Orkney

We have resources of people and money: let's apply them where most needed

Short term:

- Orkney's public bodies, have resources of skilled, intelligent, well-informed staff:
 - Use that human resource to deliver ASPIRE
 - This work is too important to Orkney's future to be done as an add-on task: secondment may be a solution.
- Bring in contributions from the whole of Orkney's civic society.

Groups discussing Orkney's future have too many good ideas

Short term:

- The challenge is to know which of these ideas to prioritise:
 - Identify which issues facing us are short-term and urgent in their impact, and which are medium term
 - o Take brave and ambitious decisions which deliver step-change differences.

Medium term:

• Get the balance right between governance and delivery, consulting and doing, short term and long-term action.

The future is uncertain and unpredictable

Short term:

- The pandemic is still developing, and so is the economic collapse coming in its wake.
- Some economic impacts are clear, others are still emerging. This is likely to be the case until at least the end of 2021, and possibly much longer.
- Short term support needs to come quickly and boldly, based on current knowledge of where it is most needed.
- Brexit will bring further uncertainty and new challenges, on top of pandemic-related ones.
- Some markets may close down, others may open up: details are far from certain.

Medium term:

- Establish economic data-collection systems:
 - The approach must be accurate, but also efficient, agile, and appropriate to the needs of Orkney
 - o Continually collect and analyse data

- Base future decisions on this. It may not be definitive, but it will be a lot more up to date than we currently have.
- Whatever the future brings, excellent digital connectivity will be essential: currently it is very patchy, and areas with poor connections are disproportionately challenged by the current uncertainties

Orkney has great strengths but too often we doubt ourselves

Short term:

• Build confidence and a sense of identity by supporting Orkney's culture: music, art, literature, language, film, theatre.

Medium term:

- Develop strategies to increase recognition of Orkney's achievements in every sphere: awards, documentation, publication.
- Support development of shared digital resources including an 'Orkneypedia' reference site.
- Learn to sing our praises as a community so our skills, resources, supply chain and contributions are more visible, and more appreciated.
- Enable new partnerships between the private, public and third sectors to share resources and expertise, to resolve island challenges.

We don't benefit sufficiently from money generated here, or from all our globally dispersed assets

Short term:

- Support any business that follows ASPIRE principles, to help it survive the pandemic and the immediate aftermath.
- Questions of long-term viability cannot be answered in the present exceptional circumstances: the important thing is to preserve employment and the Orkney economic ecosystem.
- Develop a circular economy strategy, designed to keep as much of the money generated here in the county for as long as possible.

Medium Term:

- Using improved data, analyse how money leaks or floods out of Orkney:
 - Develop strategies to combat that
 - o Support a culture of locally owned businesses that help money stay in the county.
- Where non-locally owned businesses exist, encourage all of them to 'put something back' into the community, recognising that many already so this really well.
 - o Work to attract quality inward investment from organisations who share our values.

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- Establish strong links with the Orkney diaspora:
 - o People with an Orkney connection now settled and living elsewhere

o People with an Orkney connection temporarily working elsewhere.

All of Orkney is affected by the economic collapse, but our response is fragmented

Short term:

- Inject energy and urgency into the three-part economic recovery system.
- Hold rolling BERRG consultations, so up to date sectoral inputs are continually feeding into the system.
- Provide urgent sectoral support based on current knowledge.
- Ensure solutions are relevant for, and work for, all of Orkney's communities.

Medium term:

- Take a holistic approach to the Orkney economy, based on up to date data and analysis of what our economy really consists of.
- Avoid narrowly sectoral approaches, based on received wisdom of which sectors we 'think'
 are significant.

Everyone wants the best for Orkney, but there are barriers between us

Short term:

- The ASPIRE statement of goals, values and approaches need to be adopted by the private sector, the public sector and the third sector.
- Develop effective communications to overcome organisational and cultural barriers.

Medium term:

- Develop the 'Team Orkney' mindset across private, public and third sectors, as well as the wider community.
- Increase transparency so we can work with a new level of trust, mutual respect, and collaboration.
- Champion this new approach nationally
 - Use it to argue for effective support for our island community.

Our Initial plan

This plan documents the actions we will take to achieve our ASPIRE vision and build a more equal, sustainable, and prosperous Orkney. The plan contains a mix of actions required to get the right *delivery framework* in place, alongside actions to *drive economic recovery*. The actions marked with * are drawn from the Scottish Government's Recovery Plan.

Timescales:

Ongoing / already underway

Short term: By March 2021

Medium term: March 2021 to end 2021

• Long term: 2022 onwards

What	Timescale	Lead	Governance Provided By
Data and foresight: Getting a clear, shared picture of what Orkney's economy looks like now and he	ow it is changing, to	drive informed d	ecision making
Establish our baseline economic data in an accessible form	Ongoing / already underway	Data TADT	ERSG
Create an ASPIRE economic data dashboard which visualises the data to provide the community with accurate, timely data about our economy	Short term	Data TADT	ERSG
Create an economic model that helps us to understand how our economy operates, and how it is changing	Ongoing / already underway	Euan Smith & Gareth Davies	ERSG

What	Timescale	Lead	Governance Provided By
Carry out scenario planning to explore predicted impacts of Covid and Brexit on employment and income, to guide decisions about where, when and how to take action	Short term	TBC	ERSG
Establish an initial outlook on which jobs have been permanently lost, which may return, and which are unaffected to feed into the skills and retraining work	Short term	TBC	ERSG
Our future economic model: Create the principles for a new inclusive and sustainable economic model blending it to create something that works for Orkney	odel, learning from	n new economic thi	nking and
Define the principles for the unique Orkney economic model that will enable us to deliver our ASPIRE vision	Short term	Economic Circularity TADT	ERSG
Establishing a local Covid Economic recovery delivery framework: No single agency can delivery Or need a new, deeper partnership between the OIC, HIE, skills agencies, businesses, the third, volunts shared ambition and vision for Orkney			
Create a shared vision for Orkney's economic recovery work	Draft	Glen McLellan & Fiona Smith	ERSG/CPP Board
Identify / support the creation of sector recovery plans, where these do not already exist	Ongoing / already underway	HIE / OIC Ec Dev	OIC / HIE mang structure
Secure an initial fund and human resources to support the work of the ESRG	Short term	Glen McLellan, John Mundell, Gavin Barr	ERSG / CPB

What	Timescale	Lead	Governance Provided By
Establish whether there is business appetite for a forum for dialogue and cross sector working with the business community, including the third and voluntary sectors	Short term	Programme Manager / Ec Dev / HIE	ERSG
Implement a communication plan which achieves community buy in and provides hope, including an easy to access 'portal' where people can see what help and opportunities are available (this can't be just digital, it needs to be accessible in other formats)	Short term	Programme Manager and CP team	ERSG
Protecting and creating employment and supporting viable businesses: Protecting viable, sustainable	ole jobs and busine	sses	
Develop proposals for a 'Winter Job Retention Scheme' (potentially a package of smaller schemes / defining what we mean by viability)	Short term	ТВС	ERSG
Maximise the local impact of the Scottish Job Guarantee Scheme, Kickstart Scheme and No One Left Behind Scheme	Short to medium term	Skills and Employability Strategy group	SDS
Monitor take-up of, central government grant schemes, to ensure that maximum funding flows into Orkney, and that we fully understand the extent to which exemptions are preventing local businesses from accessing funding	Ongoing / already underway	Ec Dev, Business Gateway, HIE	OIC / HIE mang structure
Monitor provision of local grant and loan schemes in response to unmet local needs, with regular reviews of uptake and feedback	Ongoing / already underway	Ec Dev, Business Gateway, HIE	OIC / HIE mang structure
Supporting people and businesses facing redundancy: Helping people to find new fulfilling, secure,	paid work, quickly		
Revise the local skills strategy in response to Covid, with a focus on retraining, upskilling, and reskilling	Short to medium term	Orkney Skills and Employability Strategy group	OSEG

What	Timescale	Lead	Governance Provided By
Implement the COVID-19 Transition Training Fund *	Short to medium term	Skills and Employability Strategy lead group	SDS
Understand the impact of moving to a net zero, circular economy in Scotland and what this means for skills, jobs and the supply chain in Orkney. Create a long-term strategic skills plan to enable this*	Short to medium term	Skills and Employability Strategy lead group	VEDG/ESRG
Better Planning and Regulation: Our planning and regulatory systems will be crucial in supporting in recovery, while maintaining our high standards	nvestment and grov	vth, as part of ou	r economic
Explore options to alleviate planning constraints, build capacity and deal more quickly with applications to ensure the service is as proactive and efficient as possible *	Medium term	OIC	OIC
Investing in our digital capabilities for economic recovery: The pandemic has underlined the econo Orkney's lack of connectivity and digital exclusion will play a critical role in our future economic well		digital capability.	Tackling
Critically access the proposed R100 roll out to ensure that it will deliver the required connectivity in the required timescale.	Medium to Long term	OIC	ERSG
Scope out connectivity infill projects	Short term	OIC	ERSG
Digital enablement ensure businesses are aware of and supported to adopt innovative technologies.	Ongoing/ already underway	HIE/OIC	OIC/HIE mgt
Support the adoption of digital trading and marketing	Ongoing / already underway	OMAG? Ec Dev / HIE	OIC / HIE mang structure

What	Timescale	Lead	Governance Provided By
Reform the Digital support & training group to co-ordinate and identify gaps in digital support	Ongoing / already underway	Digital Support & Training Group	?
Creating economic circularity: Enable community wealth building by retaining spend within Orkney inclusive growth	's economy, to aid	local job creation a	and drive
Create a discussion paper on key ways in which Orkney can increase its economic circularity, including principles for our economy	Short term	Economic Circularity TADT	ERSG
Carry out an options appraisal to identify ways to maximise opportunities in local procurement for local suppliers and the Third Sector	Medium term	OIC	ERSG
Undertake procurement spending analysis to understand actual local spend from public / private sector money	Short term	Economic Circularity TADT	ERSG
Carry out benchmarking and generate an options appraisal for enablers to help local businesses to better compete with major online retailers such as Amazon	Short term	Programme Manager	ERSG
Develop and support 'Shop Local' initiatives	Short term	Ec Dev, HIE, BID, SBCF	ERSG
Maximise closer to home markets. Carry out an option appraisal for ways to prepare and sell locally, food caught, farmed and produced in Orkney. Identify the financial support required to help local producers adapt lines for local need.	Short term	OIC Ec Dev / HIE working with Orkney Food & Drink, NFU and OFA	ERSG

What	Timescale	Lead	Governance Provided By
Creating a localised Investment Strategy: Choosing what we invest in and how we invest, allows us	to choose a green r	ecovery with equ	ality at its heart
Carry out an options appraisal for creative ways to mobilise local funds/savings to invest in our local economy for the long term (e.g. expanding the Credit Union, establishing an Orkney Bank, a local cluster investment fund, a scheme which enables local pension funds to be invested locally).	Short term	Finance TADT	ERSG
Generating inward investment: Seeking out inward investors who share our vision and are committed generating a return on their investment	ed to benefiting the	e local community	y as well as
Develop Orkney's ability to present its opportunities, in response to feedback from potential investors about being underwhelmed by Orkney's 'sales pitch and collateral'	Medium term	TBC	ERSG
Maximise the local benefit of the Scotwind proposals	Medium term	TBC	?
Drive economic benefit from the Islands Deal opportunities	Long term	OIC & HIE	Island Deal Steering Group
Transport: Transport is a key enabler of our economy			
Carry out an options appraisal to support airport investment for economic growth (e.g. increased demand as result of offshore wind growth)	Long term	ТВС	?
Driving a Green Recovery: Committing unequivocally to an environmentally sustainable future. Lead get there, shout about it	ding the transition t	o a net zero econ	omy: when we
Publish Environmental Sustainability and Climate Change strategy, setting out how Orkney will reach net zero carbon by 2030	end 2021 (target COP)	OREF	OIC

What	Timescale	Lead	Governance Provided By
Appoint Climate Change Officer	Jan 2021	OIC	OIC
Establish a green recovery vision and action plan	end 2021 (target COP)	OIC	OIC
Implement the Orkney Tourism Strategy 2020-2025: A strategy for sustainable tourism	Ongoing	Destination Management Planning Group	Destination Orkney Strategic Partnership
Drive more affordable energy and transport solutions through ReFLEX programme	TBC	TBC	?
Capitalise on Scottish Government's drive and funding for District Heating Schemes*	TBC	TBC	?
Conclude Waste Service Review and replacement waste facility Capital Programme Appraisal Process	March 2021	OIC	OIC

Orkney's Covid Economic Response Eco System

The main groups engaged in Orkney's Covid response and recovery work, and longer term economic development

Scottish **UK Government** Government

Visit Scotland

HIE

Business Gateway National

Skills Development Scotland

Enterprise and Skills Strategic Board

National Partners

Front Line Dedicated Constituted Local Sector Groups Orkney Partnership Action for Front Line Dedicated Continuing Employment (PACE) Job Centre, CAB, HIE, SDS, BG. **Economic Development** Skills and Employment Regional Services Services **Economic Recovery Destination Orkney** Orkney College, OIC **Partners** Construction Sector Training Group Orkney Business Gateway **NFUS** SDS Orkney Orkney Scottish Fed of Builders Orkney Fisheries Assoc OIC Economic Development Stromness Business and Community Orkney Sustainable Job Centre Forum HIE Orkney Fisheries HiTrans **Development Trust** Orkney Food and Drink Orkney College **Orkney Skills and Employment** Creative Orkney Group Orkney Renewable Energy Forum Visit Scotland (Orkney) Highlands and Islands European Partnership **Digital Support Group Energy Strategy Stakeholder Developing The Young** HIE, OIC, BG, Visit Scotland, Orkney College Workforce (DYP) COVID-19 **Destination Orkney Strategic** Transport Forum **Highland Agriculture** Partnership) Support Group The Orkney Recovery Orkney Islands Partnership Council Covid-19 Economic Streams Response Recovery Leader Group Child Short Life Steering (A post Brexit version will be Destination Management Poverty Short Life Third Sector Forum Group formed) Officers Group Community (from 2022) Care for Recovery Liaison Group People Group Living Vibrant Group EU funding) Economy Well Business Delivery Strong and Economy Leader Fisheries Group Group Recovery (A post Brexit version will be **Orkney Marketing** Delivery Group Islands Deal Steering formed) Advisory Group (OMAG) Fund Group and Do Covid-19 Business Forum Third Sector Recovery and Renewal Group (proposed replacement for BERRG) **Local Partners**

Emerging Policy Frameworks

Implementation Plan Government's response to the Advisory Group on Economic Recovery

Addressing the labour market emergency -The Scottish Government's response to the Report by the Enterprise & Skills Strategic Board subgroup on measures to mitigate the labour market impacts from

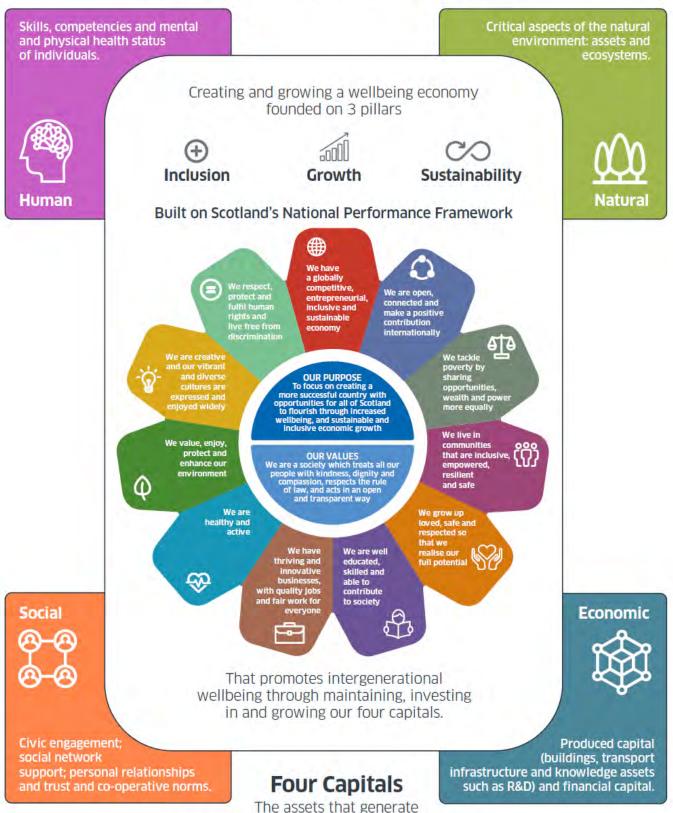
Major Funding

Islands Deal funding **Shared Prosperity** Fund (which replaces Crown Estate Fund Regional Tourism Infrastructure Fund **National Infrastructure** See Business Gateway list for other funders and

Appendix 3: The Scottish Government's Wellbeing Economy Monitor

Wellbeing Economy MonitorTo help us achieve our vision of an economy that delivers

To help us achieve our vision of an economy that delivers sustainable and inclusive growth for the people of Scotland.



The assets that generate wellbeing for current and future generations.