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AGENDA ITEM No.

NORTH LANARKSHIRE COUNCIL

REPORT

To: ECONOMIC DEVELOPMENT COMMITTEE		Subject: LDA ANNUAL REPORT 1995/96
From: DIRECTOR OF PLANNING & DEVELOPMENT		
Date: 1 AUGUST 1996	Ref: CMcA/MG/REP.049	

Introduction

Lanarkshire Development Agency have recently produced their annual report outlining their key results and details of financial expenditure for 1995/96. Copies of the report are available in the Members Library. The aim of this report is to present a summary of the results achieved.

Results

1995/96 was the most successful year to date for the LDA since it was formed 5 years ago. This success was accelerated greatly through the Chunghwa Picture Tubes investment of £260m creating 3300 jobs. In total, inward investment created more than 5200 jobs

Other successes for Lanarkshire include the biggest increase in export sales in Scotland in 1994/95, rising by nearly 50%.

The LDA total budget was £51,421,000. This funding levered a further £68m into the local economy. Outlined below is a breakdown of the expenditure as detailed in their annual report.

LDA distributed this expenditure through the eight strategic themes identified by the Lanarkshire Regeneration Strategy, as follows.

Reshaping the company base (£8,510,000)

This funding was used to support a wide range of activities including the creation of new businesses, trade and export development, company growth, the Lanarkshire Entrepreneurship programme, investment in companies, and advice to businesses, both through LDA and the network of Enterprise Trusts.

KEY RESULTS:

- The Lanarkshire Entrepreneurship Programme has now produced 48 companies, employing 1400 people with sales of £21 million
- The Lanarkshire Entrepreneurship Programme is Scotland's most successful new venture initiative
- 300 new business ventures were launched with help from Lanarkshire's enterprise trusts, supported by LDA
- Lanarkshire recorded Scotland's biggest rise in exports during '94/95, increasing from £583m to £873.6m (source SCDI)

- The trade missions and exhibitions programmes helped to secure £5m of new business for local firms
- 90 Business Growth Initiatives started with local companies
- 55 companies were assisted in management development programmes
- LDA made investment offers totalling £635,000 to 23 companies against total funding packages of £5.4m
- 31 Lanarkshire firms have now gained Investors In People status

Locate in Lanarkshire (£2,884,000)

Expenditure under this theme was geared towards assisting and attracting inward investment companies and promoting Lanarkshire's attractions for business, with particular emphasis on the Lanarkshire Enterprise Zone. Substantial investment was made towards supporting new inward investors with the costs of training their new workforce in Lanarkshire.

KEY RESULTS:

- 1995/96 was Lanarkshire's most successful year for inward investment
- Chunghwa Picture Tubes chose Lanarkshire to locate its new £260 million European manufacturing facility
- The CPT plant at Eurocentral will employ 3300 people by the end of the century
- LDA assisted 40 inward investment projects (26 new locations/14 relocations or expansions)
- These projects will create 5200 new jobs and safeguard 1200 jobs
- More than 2280 of these jobs will be created over the next year
- The projects represent a total capital investment in Lanarkshire of £337m
- Industrial giant DuPont Photomasks is the first US company to locate to the Lanarkshire Enterprise Zone
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Putting the labour market to work (£13,833,000)

This funding was principally used to improve the skills of the Lanarkshire workforce through quality training. The theme also supported a number of initiatives aimed at improving access to the workplace as well as the national Skillseekers programme.

KEY RESULTS:

- 3400 young people and 1150 adults were in training every week of the year in LDA programmes
- 1900 young people are in training through the Skillseekers programme
- More than 250 young people are working towards Modern Apprenticeships
- 50% of young people were employed or secured employment during their training
- 1766 young people secured industry-recognised qualifications
- 840 long-term unemployed adults found jobs as a result of LDA-funded training

- More than 300 unemployed people found jobs through customised training schemes with 60 companies
- 120 unemployed graduates took part in LDA's graduate development programme
- LDA helped to re-train redundant engineers from Rolls Royce in East Kilbride for jobs in the electronics industry
- 256 out-of-school childcare places have been established in nine new projects

Lanarkshire's business locations (£18,115,000)

LDA has invested substantial sums to create a range of top quality business sites which now compare with the best in Europe. Expenditure under this theme was used to develop new business locations such as the Lanarkshire Enterprise Zone sites, Eurocentral, Strathclyde Business Park and the Scottish Enterprise Technology Park in East Kilbride.

KEY RESULTS:

- The Lanarkshire Enterprise Zone has attracted £330m of private sector investment
- More than 80% of the zone is now prepared for development
- 240,000m² (2.85 million ft²) of new industrial and office space is now secured on the zone
- 140,000m² (1.75 million ft²) of new business space is secured on land at Eurocentral
- 65 companies have located to Strathclyde Business Park, which now supports 1200 jobs
- Major progress made in preparing the Scottish Enterprise Technology Park in East Kilbride for future development

Lanarkshire's environmental industries (£299,000)

Funding under this theme has been used to assist companies develop new environmental technologies and to build a new environmental industry in Lanarkshire. The theme also supported efforts to help firms improve their efficiency through better environmental practices.

KEY RESULTS:

- The Lanarkshire Profit by Pollution Prevention and Energy Conservation scheme won a New England Environmental Award
- The scheme identified £1.5million in savings for 10 local firms
- firms benefited from the Environmental Managers programme, which identified £450,000 of savings

Education as a business resource, (£512,000)

Expenditure under this theme was used to promote closer links between business and education through initiatives such as technology transfer, college development and the Lanarkshire Education Business Partnership. The LDA is also heavily involved in examining the feasibility of establishing a new Lanarkshire University College.

KEY RESULTS:

- 80 projects completed involving 600 businesses in education/industry links
- Around 7500 students in Lanarkshire schools were involved in education industry links
- 26 secondary and 5 primary schools were assisted in European Work Study visits to a range of European countries
- 42 undergraduate students completed placements with small-to-medium sized enterprises

Creating a sense of place (£5,557,000)

Major renewal projects aimed at improving the outlook and economic vitality of Lanarkshire's towns and villages have been promoted by this theme. Ground consolidation works were progressed throughout the county to pave the way for new housing developments. The theme also supported significant investment in tourist attractions at locations such as New Lanark. This theme also supports LDA's contribution towards the major town centre revitalisation and expansion project, Hamilton Ahead.

KEY RESULTS:

- LDA spent £4.2m on 37 urban renewal and tourism projects, attracting total investment of £33m
- LDA and British Steel progressed Ravenscraig regeneration plans
- £600,000 spent on Hamilton Ahead projects
- Investment of £1.28 million in five tourism projects to improve visitor attractions

New Lanarkshire, new landscapes (£1,711,000)

Expenditure under this theme was used to bring forward landscape improvements at industrial estates in Lanarkshire. It also supported landscape work at major road corridors in the county, local woodland initiatives and the development of walkways along the Clyde and Avon Valley.

KEY RESULTS:

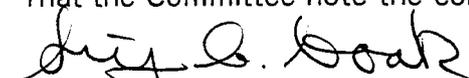
- 130ha of degraded land has been renewed
- 13 kms of road corridors have been upgraded
- 6 kms of long distance walkways have been added to the strategic network

Conclusion

Whilst the results are presented on a Lanarkshire wide basis, it would be beneficial to the Council to consider the results for North Lanarkshire. Acknowledgement of North Lanarkshire Council's contribution to a successful year was given in the Chairman's introduction.

Recommendation

That the Committee note the contents of the report.



S. Cook

Director of Planning and Development

For further information contact G Smith, Head of Economic Development and Property.