



Glasgow Economic  
Leadership

**Low Carbon Industries  
Draft Action Plan  
June 2012**

**Chair: Jim McPhillimy, Group Services Director, SSE**

# Low Carbon Industries Executive Summary

## I Introduction

The Low Carbon Industries (LCI) work stream focused its work round how to grow the Low Carbon Industries in Glasgow (and the Clyde Valley) and how to make Glasgow a more business-friendly LCI investment location.

It recognises the importance of the sector to employment and skills in Glasgow; however it was frustrated at not being able to have the scale of investment and employment confirmed.

**It also noted the demand on skills, particularly engineering skills** – at all levels – from school leavers through to college and university graduates. Glasgow is Scotland's largest source supply of engineering skills – something that has helped companies in the Low Carbon Industries space to grow and develop in the city. However, members saw high industry demand, driven by the oil and gas sector and a need, somehow, to expand supply to meet such demand, plus demands driven by the ageing workforce. In its view, there is an urgent need to grow more engineering skills, a skills pipeline and pool. However, the issue of skills was remitted to the Engineering, Design and Manufacturing work stream to address.

The work stream's key proposals are that, in Glasgow, we need to:

- **(Better) Communicate Glasgow's status as a Low Carbon Industries hub:** the work stream is of the view that there is insufficient recognition of the economic value of current low carbon investment in Glasgow and its growth potential. The 'Glasgow story' needs to be researched and communicated more effectively;
  - **Commission an economic analysis** of the impact of current LCI activity in Glasgow/Clyde Valley and its future potential;
  - **Develop a Glasgow LCI hub marketing and communications strategy** to generate investment lead and attract inward investment and jobs;
- **Attract private and public investment in the city's low carbon economy:** the city must be proactive in positioning itself to attract significant private/corporate investment in the low carbon economy.
  - **Several global companies have 'Smart Cities' as an investment target;** Glasgow should make it as easy as possible do LC business in Glasgow by being clearer in the City Council's own LC investment priorities;
  - **Target major public sources of co-investment funding** [UK (eg Green Investment Bank, TSB) as well as EU (ELENA) funding].

- **Target the Green Investment Bank’s £3bn co-investment funding to finance demand-led green infrastructure projects in the city.** The work stream recommends the nine ELENA projects to the Leadership Board for it to select three to be taken early to the GIB;
- **Develop innovative approaches to develop greater co-investment between the public sector and Glasgow’s key low carbon industry partners.**
- **Raise and calibrate the ambition of ITREZ:** the development of ITREZ by Scottish Enterprise has helped market Glasgow’s LCI opportunity to companies across the world. However, in the work stream’s view that the next phase should be to use the economic analysis (above) to develop a new strategic plan for ITREZ that is more ambitious and that sets targets to help drive its impact;
  - **Develop a new strategic plan for ITREZ** to raise its ambition and targets, better fit it into existing plans to develop the LCI sector (including the role of Sustainable Glasgow) and to improve the city’s attractiveness to investors;
- **Recognise Engineering as a ‘key sector’ in the Government Economic Strategy (GES):** engineering skills and innovation are vital to the success of the Scottish Government’s desire to develop Scotland as a global low carbon location. To so effectively requires a greater collective focus from industry, Government and its agencies and the HFE sectors to develop our engineering skills and capabilities.
  - **Expand the engineering skills pipeline** by greater innovation to resource, improve skills and college and university progression and work-readiness of school, college, university-leavers and graduates.

## II LCI Action Plan

The following table outlines the above actions in more detail. The work stream recognises several of them require further work and discussion with key partners and existing bodies in the low carbon industries “space”, including the future focus and priorities for Sustainable Glasgow, Glasgow City Council’s own low carbon investment priorities, plus those of Glasgow Housing Association and other large organisations that can help accelerate greater demand-led low carbon investment in the city’s infrastructure, housing and transport.

**Jim McPhillimy**  
 Chair, Low Carbon Industries Work Stream  
 Glasgow Economic Leadership

## Action Plan: Low Carbon Industries

Action	Related Tasks	Proposed Outcomes	Lead Responsibility	By When	Estimated Costs
<b>Commission an economic analysis of the Low Carbon Industries in Glasgow / Clyde Valley</b>	<ul style="list-style-type: none"> <li>Map out the city's LCI offer, how it impacts on the city in terms of employment and inward investment</li> <li>Assess how best to use the LCIs for the city's benefit</li> </ul>	Propose set of targets to drive LCIs development in Glasgow / Clyde Valley	GCC / SE (via Sustainable Glasgow?)	End of 2012	£50,000
<b>Develop a Low Carbon Industries Marketing &amp; Communications Strategy</b>	SDI to work with GCMB and industry partners to promote Glasgow's USP in LCIs and to encourage further investment	Obtain long term investment from major LCI companies locating in Glasgow	SDI / GCMB	End of 2012	£100,000 (or via SDI ITREZ marketing funds)
<b>Gather information on the impact of LCIs on employment</b>	Assess the impact of LCIs on job generation	Identify gaps in education / training provision (via Engineering SIP)	SDS (Rob Orr)	End of 2012	tbc
<b>Develop a strategic plan for ITREZ</b>	Review existing targets (using output of economic analysis)	Establishment strategic plan with clear targets	Scottish Enterprise / GCC	End of 2012	tbc
<b>Seek funding from the Green Investment Bank</b>	Develop 3 large (£100m+) proposals to UK Green Investments	Obtain £300m+ investment from UKGI	GEL / GCC via Sustainable Glasgow	June 2012	
<b>Lobby for Engineering as a key economic sector</b>	Support the recommendations of the Engineering and Design Work Stream	Scottish Government to recognise engineering as a key sector	Glasgow Economic Leadership		

## **Low Carbon Industries Work Stream Members**

Jim McPhillimy, **SSE (Chair)**

David Fletcher, **Glasgow Housing Association**

John Foley, **Glasgow City Building**

Ian Irvine, **Sgurr Energy**

Peter MacDonald, **Gamesa**

John Sheridan, **Construction Scotland**

Prof. Graham Ault, **University of Strathclyde**

Prof. Andrew Knox, **University of Glasgow**

Carol Murray, **City of Glasgow College**

Geoff Duke, **Sustainable Glasgow**

Keri Isadale, **Glasgow City Council**

Kevin Kane, **Glasgow Economic Leadership**

Andy McDonald, **Scottish Enterprise**

Robert Orr, **Skills Development Scotland**